



County of Los Angeles CHIEF EXECUTIVE OFFICE

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WILLIAM T FUJIOKA
Chief Executive Officer

October 2, 2009

TO: Supervisor Don Knabe, Chairman
Supervisor Gloria Molina
Supervisor Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Michael D. Antonovich

FROM: William T Fujioka
Chief Executive Officer

Board of Supervisors
GLORIA MOLINA
First District

MARK RIDLEY-THOMAS
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

CHIEF EXECUTIVE OFFICE RISK MANAGEMENT ANNUAL REPORT, FISCAL YEAR ENDED JUNE 30, 2009

The attached is the *Chief Executive Office Risk Management Annual Report, Fiscal Year Ended June 30, 2009*, that:

- Contains summaries of the past three fiscal year losses and costs for the County of Los Angeles' (County) vehicle liability, general liability, medical malpractice, workers' compensation, and salary continuation/State of California Labor Code 4850 exposures;
- Assists departments to recognize the nature and extent of their exposures and losses, along with reports provided throughout the year;
- Facilitates departments' efforts to strengthen their return-to-work processes, loss control and prevention activities, and corrective action plans;
- Calculates the County's Cost of Risk which compares the Countywide cost of losses and expenses to the County's operating budget; and,
- Provides 31 risk management best practices which departments should implement as appropriate.

As contained in the report, the County's Fiscal Year (FY) 2008-09 Cost of Risk was calculated at \$469,052,491, or 1.97 percent of the County's \$23,784,187,000 operating budget.

In FY 2008-09, the County's risk management programs experienced a number of successes:

- A decrease in the Cost of Risk from 2.00 percent in FY 2007-08 to 1.97 percent in FY 2008-09;
- A modest 1 percent increase (\$3 million) in workers' compensation expense from FY 2007-08 (\$285 million) to FY 2008-09 (\$288 million);
- A nominal decrease in the number of new workers' compensation claims filed during FY 2007-08 (10,593) to FY 2008-09 (10,572); the claims per 100 employees decreased from 10.61 in FY 2007-08 to 10.39 in FY 2008-09;

"To Enrich Lives Through Effective And Caring Service"

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Each Supervisor
October 2, 2009
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- Significant enhancements to the County's Corrective Action Plan program;
- Establishment of the County of Los Angeles Legal Exposure Reduction Committee;
- Development of the Risk Exposure Cost Avoidance Plan tool designed to assist departments in risk management strategic planning activities; and
- Establishment of a Countywide Safety Committee to foster communication between departments, enhance model safety programs, and develop a regulatory and best practice self-assessment tool for evaluating loss control and prevention issues in County departments.

Countywide Risk Management Program

Support from your Board and each County Department Head for risk management objectives and activities is essential to minimize the County's Cost of Risk. Your Board has directed the creation of the Legal Exposure Reduction Committee, a Countywide and departmental legal exposure reduction goal, and mandatory risk management-related performance goals for Department Heads. Department Heads have demonstrated commitment by embracing risk management-related performance goals and by naming a departmental Risk Management Coordinator, supporting safety and return-to-work functions, and requiring staff to participate in workers' compensation and tort liability claim review meetings and roundtables. That effort is appreciated and is contributing to improvements in the Countywide risk management program.

Continued Department Head support is needed to further enhance the County's risk management program. Enhancing an aggressive loss control and prevention program requires each department to identify their primary Costs of Risk through an evaluation of business operations, completion of thorough accident investigations and reviews, a review of loss data, and selection and implementation of methodologies to address their identified Costs of Risk. The CEO provides support for these efforts by consulting with department staff, providing recommendations based on best practices and assisting with their implementation, and by providing training concerning risk management, safety, claims, and return-to-work subjects. Workers' compensation loss data is available through the County's workers' compensation database, which the CEO made accessible to each department. Tort liability loss data can be obtained by requesting data from the CEO or County Counsel. The annual report section, "Risk Management Best Practices," provides a list of best practice activities for effective risk management programs. These best practices should be evaluated to determine if they are appropriate for specific departmental operations.

If you have any questions, please call me or Rocky A. Armfield, County Risk Manager, at (213) 351-5346.

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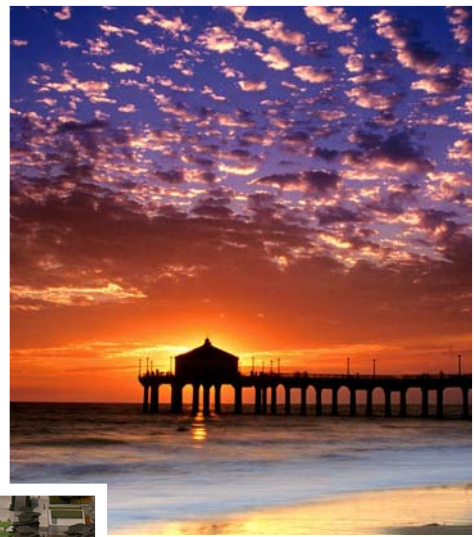
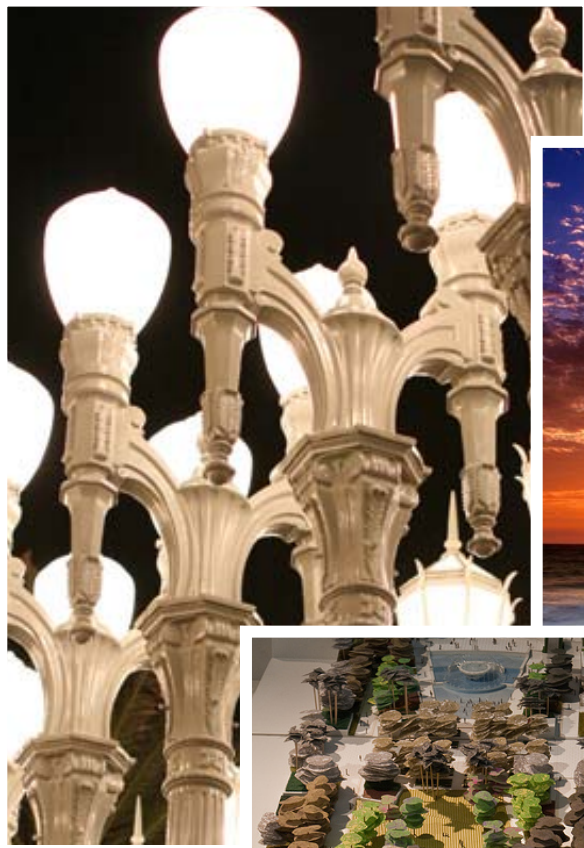
Attachment

c: All Department Heads



Inside County Risk

2008-09
Annual
Report



COUNTY OF
LOS ANGELES



CHIEF
EXECUTIVE
OFFICE



RISK MANAGEMENT
BRANCH

JULY 2008 THROUGH
JUNE 2009



Board of Supervisors



Gloria Molina
1st District



Mark Ridley-Thomas
2nd District



Zev Yaroslavsky
3rd District



Don Knabe
4th District



Michael D. Antonovich
5th District



WILLIAM T FUJIOKA
CHIEF EXECUTIVE OFFICER

Risk Management Branch

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Los Angeles, CA 90010

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This report is available on the Chief Executive Office website at:
<http://ceo.lacounty.gov/>



We are proud to present
Inside County Risk, the
County of Los Angeles Chief
Executive Office, risk management
annual report for fiscal year ending
June 30, 2009.

The report contains summaries of the fiscal year's losses and costs for the County of Los Angeles workers' compensation, vehicle liability, general liability, and medical malpractice self-insured programs. This report is intended to assist management with the assessment of the nature and extent of departmental exposures and losses. The best practices identified in the report are intended to provide suggestions for improving departmental risk management activities to mitigate exposures and losses.

Thank you.

WILLIAM T FUJIOKA

CHIEF EXECUTIVE OFFICER

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EXECUTIVE SUMMARY

The County of Los Angeles (County) Chief Executive Office (CEO) is pleased to provide its risk management annual report for Fiscal Year (FY) July 1, 2008 through June 30, 2009.

On June 30, 2009, the CEO Risk Management Branch (CEO/RMB) completed its seventh year administering the County's risk management program.

The CEO/RMB mission is:

To closely work with departments to evaluate significant Countywide risks, hazards, and exposures; develop and implement risk management methodologies to fund, minimize, or eliminate loss; and, advise the Board of Supervisors and departments of risk control strategies to mitigate unanticipated financial losses.

The CEO/RMB's vision is:

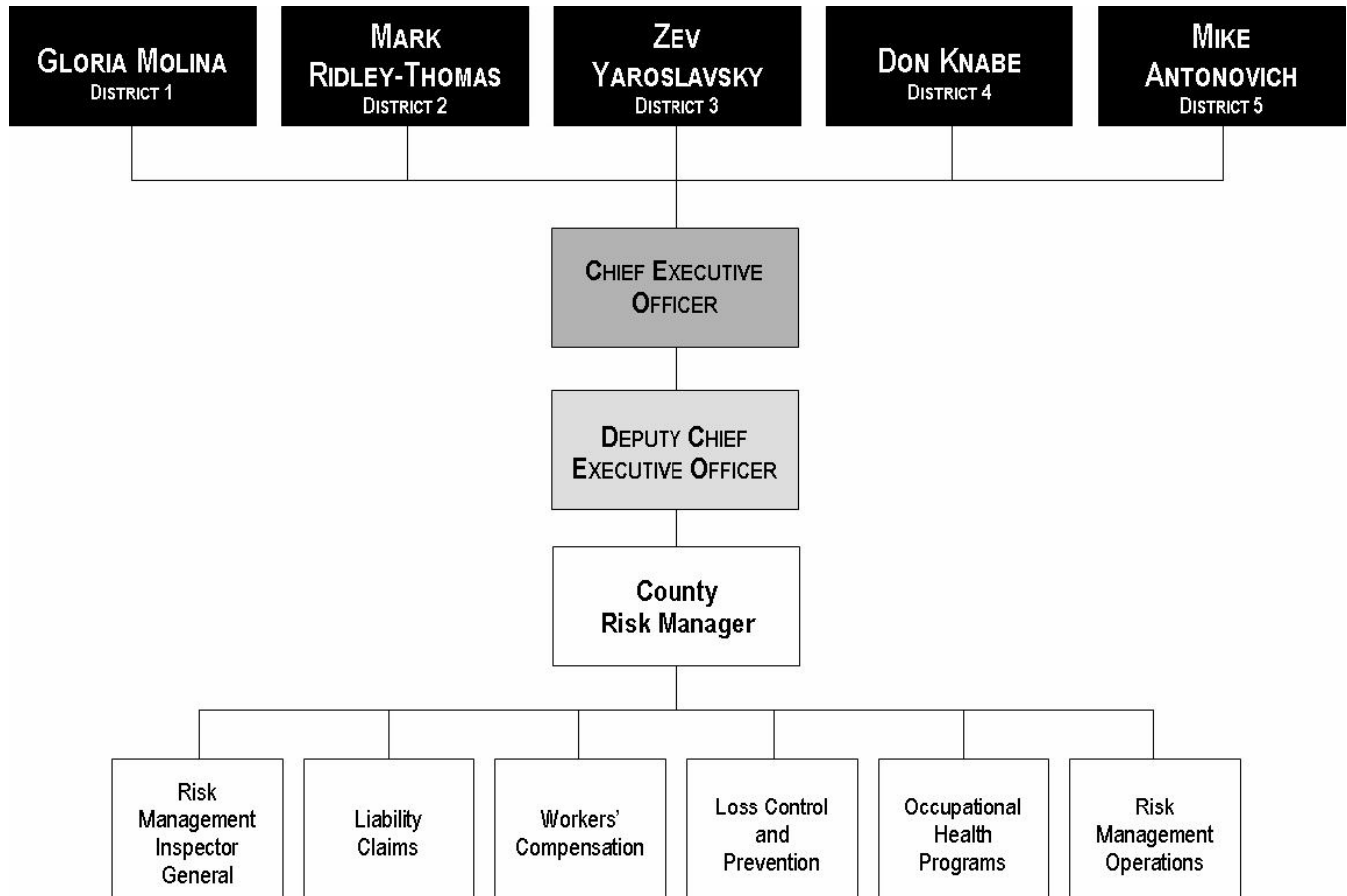
To be recognized as the leader in risk management for State of California public entities; and, to be relied upon for a Countywide risk management philosophy, standards, processes, and direction.

CEO/RMB's primary risk management responsibilities include:

- Risk consulting;
- Self-insurance or purchased insurance above self-insured retentions;
- Management and financing of the County's workers' compensation program;
- Oversight of the Contract Cities and Special Districts Liability Trust Funds;
- Administration and monitoring of third party administrators' adjusting of workers' compensation and tort liability claims, including vehicle, general, employment practices, and medical malpractice liability claims;
- Loss prevention training, reporting, standards, procedures, and compliance;
- Loss control and industrial hygiene programs;
- Review of departmental contract insurance-related language, including indemnification and County insurance requirements;
- Administration of the County's Occupational Health Program, including employee medical and psychological programs and the Employee Assistance Program;
- Administration of the County's Short-Term Disability and Long-Term Disability Plans; and,
- Administration of the County's Return-to-Work Program.

CEO/RMB staff strive to accomplish the CEO's mission with direction from the County's Board of Supervisors and CEO senior management, and assistance from County departments and the County of Los Angeles Legal Exposure Reduction Committee.

CEO Risk Management Branch Organization Chart



The CEO/RMB intranet site contains contact information and a wide assortment of resource materials. CEO/RMB staff may be contacted at (213) 351-5346. The intranet site can be accessed at: <http://riskmanagement.mylacounty.info/>.



Fiscal Year 2008-09 Results

During FY 2008-09, the County experienced a seven percent increase in the dollar amount of Cost of Risk (\$438.5 million to \$469.1 million); however, the Cost of Risk, when measured as a percentage of the County's operating budget (1.97%), is the lowest it has been since the Cost of Risk was first calculated and monitoring began in FY 2001-02.

The County's objective is to minimize its Cost of Risk.

Detailed information is listed in the "Statistics" section of this report regarding the number of claims and expenses for each of the last three fiscal years, by department, for workers' compensation, State of California Labor Code 4850 and salary continuation, vehicle liability, general liability (including employment practices liability and police liability/law enforcement), and medical malpractice. Comments for each exposure category are listed below.

Based on the nature and scope of County operations, the County departments will always be susceptible to large claims that significantly impact expenses. The results of FY 2008-09 clearly illustrate this susceptibility. Minimizing the total number of claims often minimizes the number of large claims; therefore, implementing risk management best practices to reduce the frequency of claims is as important as properly handling claims once claims are filed.

Workers' Compensation

A most positive aspect of FY 2008-09 was the relative stability of expenses in the workers' compensation program. This is particularly important given the nature of medical inflation, increased indemnity benefit levels, and the increase in the number of County employees.

The number of new workers' compensation claims filed during FY 2008-09 was also stable, with the number of claims per 100 employees dropping to 10.39.

Departments with significant decreases in claim frequency in FY 2008-09 included: Animal Care and Control (-20.6%), District Attorney (-19.3%), Fire (-7.8%), Internal Services (-26.7%), Public Health (-13.0%), and Public Social Services (-8.3%). Departments with significant decreases in claim expenses included: Mental Health (-8.7%), Probation (-4.8%), and Public Health (-12.1%).

Departments with significant increases in claim frequency in FY 2008-09 included: Children and Family Services (+6.3%), Probation (+7.4%), Office of Public Safety (+28.9%), and Sheriff's Department (+4.9%). Departments with significant increases in claim expenses included: Children and Family Services (+11.8%), Office of Public Safety (+22.4%), Registrar-Recorder (+38.1%), and Sheriff's Department (+4.0%).

State of California Labor Code 4850 and Salary Continuation

State of California Labor Code 4850 and workers' compensation salary continuation expense significantly increased in FY 2008-09 in the Fire Department (+27.9%), Health Services (+36.0%), and Sheriff's Department (+38.7%), but remained stable for the Probation Department (+1.2%). These four departments account for almost 90 percent of the Labor Code 4850 and salary continuation expense. The overall increase for all departments was 24.5%.

Vehicle Liability

The frequency of vehicle liability claims increased by 1.6% in FY 2008-09. Expenses related to vehicle liability claims increased by 11.4% (6.5% increase for indemnity expenses; 33.5% increase for legal fees and costs).

Vehicle liability claim expenses continue to be significantly affected by one large Sheriff's Department claim with payments made for that claim over multiple fiscal years. One large Mental Health claim also had a significant impact on the total expenses.

Significant improvements have been experienced by the Fire Department between FY 2006-07 and FY 2008-09 (32.0% decrease in frequency and 90.3% decrease in expenses).

General Liability

General liability includes several sub-categories, including employment practices liability and police liability/law enforcement. Overall expenses related to general liability claims increased by 16.3% (15.3% increase for indemnity expenses; 17.2% increase for legal fees and costs). Expenses related to employment practices liability claims decreased while police liability/law enforcement increased. The police liability/law enforcement expenses were significantly impacted by two large claims (one each in Probation and Sheriff's Department).

Overall general liability claim frequency decreased by 15.5%. Significant decreases were observed in Children and Family Services (-29.4%), Health Services (-30.6%), Public Works (-13.8%), and the Sheriff's Department (-28.5%).

Police liability/law enforcement claim frequency decreased by 17.9%.

Medical Malpractice

Medical malpractice claim frequency decreased by 14.9%. Expenses related to medical malpractice claims increased by 38.9% (55.8% increase for indemnity expenses; 4.7% decrease for legal fees and costs). Expenses were significantly impacted by three large claims.

Special Recognition

We would like to commend Internal Services Department and the Department of Public Works on their long-standing efforts regarding workers' compensation claim handling and return-to-work issues. Between FY 2003-04 and FY 2008-09, Internal Services Department has shown very positive results in dealing with their workers' compensation issues. Their claim frequency decreased by almost 40% (164 vs. 99) and their expenses paid decreased by 34% (\$5.8M vs. \$3.8M). Between FY 2003-04 and FY 2008-09, the Department of Public Works has also shown very positive results in dealing with their workers' compensation issues. Their claim frequency decreased by over 20% (324 vs. 254) and their expenses paid decreased by over 20% (\$6.7M vs. \$5.3M). This compares to a Countywide frequency decrease of 8% (11,490 vs. 10,572) and an expense decrease of 11% (\$324.4M vs. \$288.4M).

Both Internal Services Department and the Department of Public Works have established performance goals related to risk management issues for many years. The departments have provided appropriate staffing with highly qualified individuals to support the claim management, return-to-work, and safety functions. The commitment by management and staff to minimizing the departments' cost of risk has resulted in many fewer employee injuries and lower expenses.

"The Internal Services Department is committed to risk management and understands it has an obligation to provide every employee with a safe and healthy workplace. Our managers and supervisors recognize that this is an essential business practice that increases employee productivity and improves employee morale." - Tom Tindall, Director, Internal Services Department

"I am thrilled with these results! For many years the Department of Public Works has established performance goals related to risk management. Identifiable risks are manageable risks and the Department's approach has been to continuously identify and manage risk across the organization. More recently, we have introduced a "risk leadership" approach to address the high risk and extremely complex issues that all of us as leaders in the Department face on a daily basis. Claim management, return-to-work, and safety functions are a few of the operational areas where we, as a team, have significantly reduced the Department's cost of risk, which has resulted in many fewer employee injuries and lower expenses. I am very proud of everyone's efforts!"
- Gail Farber, Director, Department of Public Works

We would also like to commend the Department of Public Social Services, who has embraced the goal of actively managing their workers' compensation claims. Risk management measures have been included in their management tracking system, DPSSTATS. Charts and graphs are regularly used to track, at an individual office location level, such items as the number of new reported incidents as a percentage of staff, the number of incidents by cause, and the number of claims filed by job classification and age of employee. Locations with higher than expected results are selected for targeted interventions; locations with lower than expected results are evaluated to determine if there are best practices that should be shared with others.

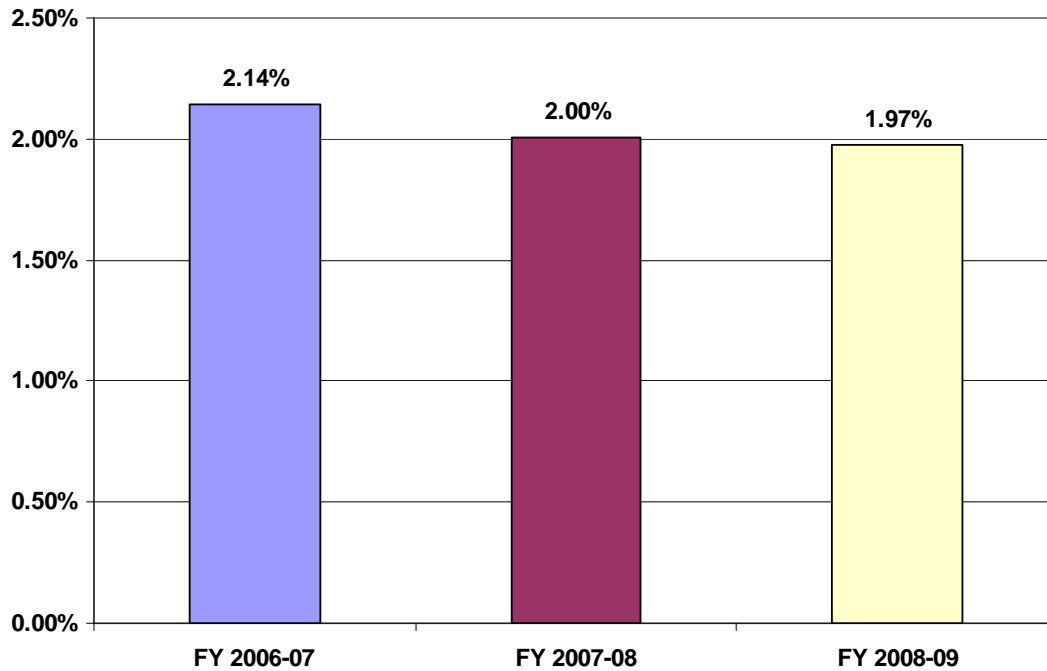
Cost of Risk Detail

	FY 2006-07	FY 2007-08	FY 2008-09
Workers' Compensation			
Benefit Expense	\$212,436,522	\$212,413,016	\$213,868,306
Loss Expense ¹	\$56,893,297	\$63,142,310	\$64,137,550
Administrative Expense ²	\$10,661,932	\$9,500,237	\$10,371,438
Workers' Compensation Expense Subtotal	\$279,991,751	\$285,055,563	\$288,377,294
Labor Code 4850 / Salary Continuation	\$43,007,829	\$39,899,699	\$49,687,965
Workers' Compensation Expense Total	\$322,999,580	\$324,955,262	\$338,065,259
Liability^{3, 4}			
Vehicle Liability Indemnity Expense	\$7,590,754	\$8,853,786	\$9,431,020
General Liability Indemnity Expense	\$24,684,607	\$25,641,842	\$29,576,374
Medical Malpractice Indemnity Expense	\$13,970,042	\$13,215,259	\$20,585,265
Liability Indemnity Expense Subtotal	\$46,245,403	\$47,710,887	\$59,592,659
Vehicle Liability Legal Expense	\$2,473,502	\$1,932,278	\$2,580,361
General Liability Legal Expense	\$27,325,009	\$30,811,933	\$36,096,581
Medical Malpractice Legal Expense	\$8,299,893	\$5,096,264	\$4,854,420
Liability Legal Expense Subtotal	\$38,098,404	\$37,840,475	\$43,531,362
Liability Administrative Expense ⁵	\$10,199,130	\$9,968,013	\$10,518,942
Liability Expense Total	\$94,542,937	\$95,519,375	\$113,642,963
Purchased Insurance (premiums and fees)	\$17,942,223	\$18,064,306	\$17,344,269
Cost of Risk^{6, 7}	\$435,484,740	\$438,538,943	\$469,052,491
Total County Operating Budget	\$20,355,838,000	\$21,889,657,000	\$23,784,187,000
Cost of Risk (as percentage of County Operating Budget)	2.14%	2.00%	1.97%

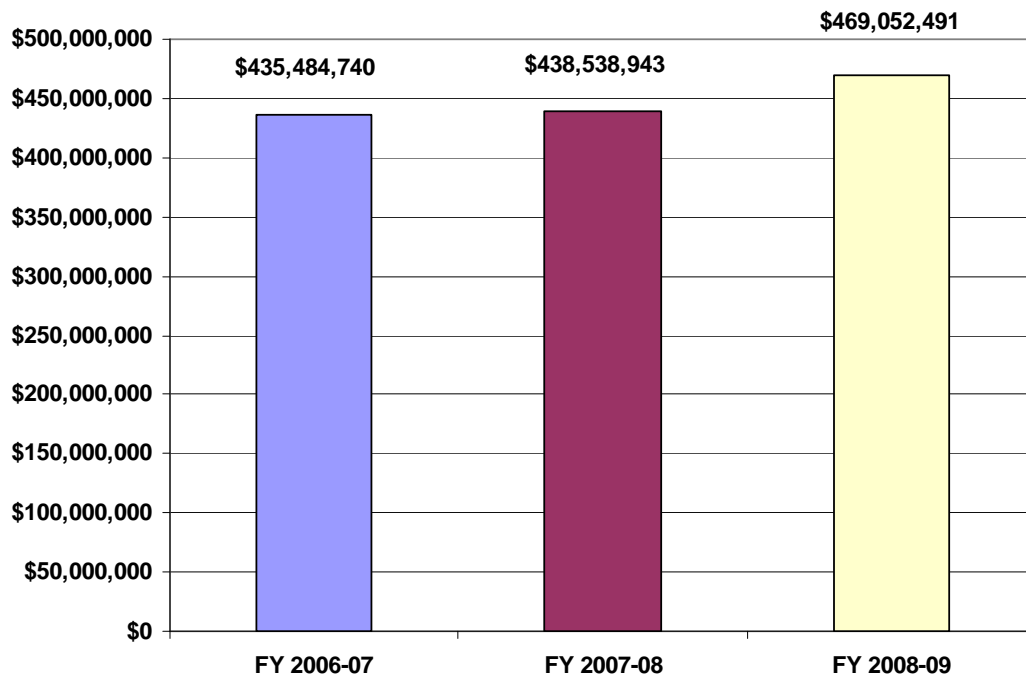
1. Loss Expense includes third party administrator fees, medical management fees, bill review fees, State User fee, etc.
2. Administrative Expense includes CEO, Auditor-Controller, and County Counsel expenses.
3. Paid claims represents the amount paid for all indemnity (pay type OC) in the fiscal year regardless of occurrence date and does not include Reported But Not Paid (RBNP) or Incurred But Not Reported (IBNR) reserves. Legal Expenses are defined in liability files as all fees and expenses paid from the liability claim (pay type SS).
4. RMIS information included in this report is: (1) claims coded as Vehicle Liability (AL), General Liability (GL), and Medical Malpractice (MM); but, (2) information excludes Metropolitan Transportation Authority, Metrolink, departments not listed in Exhibit A, Children Services dependency cases, and probate funding accounts.
5. Liability Administrative Expense includes third party administrator fees, consulting and management fees, and CEO expenses.
6. The Cost of Risk is defined as the summation of the items listed; there is a differential from earlier annual reports caused by prior inclusion of administrative charges relating to non-workers' compensation and non-liability activities. The new methodology is intended to simplify the Cost of Risk chart. Total Cost of Risk does not include non-insured property claims and County-owned vehicle claims.
7. All amounts are paid as of June 30, 2009, as reported in the County's liability Risk Management Information System (RMIS), workers' compensation information system (GenIRIS), and/or the Workers' Compensation Status Report.

The Cost of Risk is a ratio of the expenditures for the County's numerous risk management programs divided by the County's operating budget in a specific fiscal year. The effectiveness of the County's risk management programs can be reflected in this comparison since the Cost of Risk includes paid claims (amounts paid in the fiscal year without regard to the year the claims arose), insurance premiums, safety and loss control programs, and operational and administrative expense.

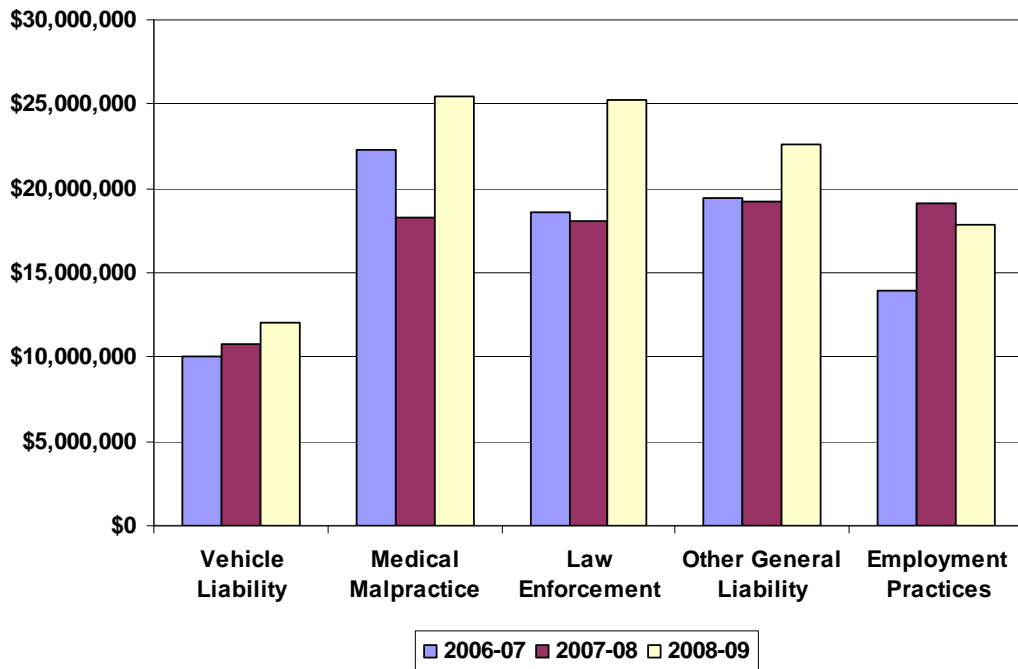
County of Los Angeles Cost of Risk as a Percentage of Operating Budget
FY 2006-07 through FY 2008-09
(includes salary continuation and Labor Code 4850)



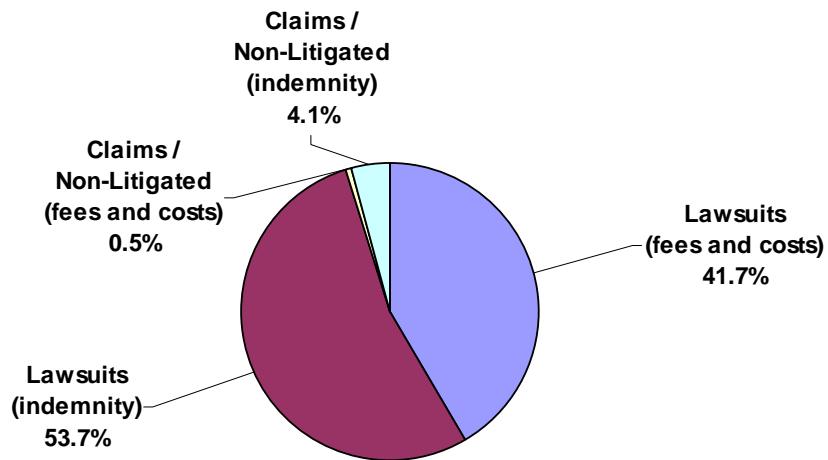
County of Los Angeles Cost of Risk
FY 2006-07 through FY 2008-09
(includes salary continuation and Labor Code 4850)



**County of Los Angeles Tort Liability Cost by Coverage Detail Code
FY 2006-07 through FY 2008-09**



**County of Los Angeles Tort Liability Cost by Lawsuit vs. Claims
FY 2008-09**



Although only approximately 20 percent of tort claims are litigated, lawsuits accounted for over 95 percent of all tort liability expense paid during FY 2008-09.

RISK MANAGEMENT BEST PRACTICES

The following activities are considered best practices for effective risk management programs. Consideration should be given to whether these activities are appropriate for specific departmental operations.

Management Commitment

- Departmental management should regularly demonstrate commitment to risk management principles and must establish annual risk management goals.
- Department managers should establish risk management-related Management Appraisal and Performance Plan goals that will decrease risk in their departments.
- Department Heads must establish a departmental risk reduction goal in support of the Countywide legal exposure reduction goal developed by the Legal Exposure Reduction Committee, and implement activities identified in the Risk Exposure Cost Avoidance Plan to help achieve the goal.

Risk Management Structure

- Departments should evaluate their risk management structure to ensure proper attention is focused on each of the risk management program components and to ensure proper risk management communication occurs throughout the department.
- Departments should adequately staff their risk management functions (return-to-work, safety, claim management) with trained and experienced personnel.
- Departments should train staff on risk management principles, including risk management fundamentals, return-to-work, safety, claim management, corrective action plans, and contract management.
- Departments should give consideration to assigning responsibility for all risk management functions to the Risk Management Coordinator.

Risk Management Program Development and Implementation

- Departments should develop and implement programs that address risk management concerns and regulatory issues.
- Departments should implement basic elements of the Injury and Illness Prevention Program (program and facility evaluations, accident investigation, and training) throughout the department.

Risk Management Program Activities

Risk Management Inspector General

- Risk Management Coordinator should attend County Claims Board meetings, roundtables, and claim reviews; and review incident reports for development and implementation of Corrective Action Plans (CAP) and Summary Corrective Action Plans (SCAP).
- Staff should conduct a detailed analysis of significant incidents and adverse events (including CEO Risk Management CAP/SCAP Development Notices) to develop and implement CAP/SCAPs as early as possible in the claim lifecycle.
- Risk Management Coordinator should work with CEO and departmental safety staff to draft and implement proactive loss prevention steps based on the root cause analysis of CAP/SCAPs.
- Staff should review all existing open CAP/SCAPs for compliance and closure, and validate the effectiveness of the CAP/SCAPs.

Liability Claims

- Staff should periodically obtain and review relevant Risk Management Information System (RMIS) data for the department, and provide management with an understanding of the claim types, associated cost, and progress toward resolution.
- Staff should participate in periodic claim reviews wherein overall claim/lawsuit status, funding/cost, and other claim/lawsuit-specific information is discussed.
- Staff should conduct a comprehensive evaluation of the various types of liability claims (vehicle liability, general liability, medical malpractice, property, first party claims, employee permittee driver, etc.) and implement plans to reduce the exposure, risks, and departmental costs related to the entire spectrum of claims.

Loss Control and Prevention

- Staff should implement recommendations contained in the department's CEO Risk and Needs Assessment.
- Staff should work in conjunction with CEO to identify cost driver issues and develop action plans to address root causes of problems.

Workers' Compensation

- Staff should attend regularly scheduled claim reviews with the third party administrator (TPA) administering the department's workers' compensation claims.
- Staff should develop the capability to generate open workers' compensation claim reports identifying the department's most costly claims.
- Staff should identify all injured workers receiving temporary disability or vocational rehabilitation maintenance allowance benefits (long-term workers'

compensation disability benefits) and monitor case status to comply with return-to-work recommendations.

- Staff should implement and maintain an electronic system to track employees on disability leave.
- Staff should develop close working relationships with medical treatment centers providing initial care to injured workers to ensure early return-to-work availability is communicated.

Occupational Health Programs

- Staff should take necessary steps, including interactive meetings with employees, prior to requesting medical and/or psychological re-examinations.
- Staff should provide CEO with changes in job classifications or essential job functions that may impact the medical standards applied to applicant medical examinations.
- Staff should evaluate periodic employee medical examinations for direct relevancy for the employee's job tasks and only schedule those employees meeting CEO criteria for program inclusion. Job tasks should be evaluated to determine if additional testing is required for any employee not currently being tested on a periodic basis.

Risk Management Operations

- Staff should participate in developing and monitoring the County Insurance Budget concerning departmental budgets.
- Staff should work closely with CEO staff to maximize insurance benefits provided under the County's commercial property and casualty insurance programs.
- Staff should request CEO consultation to ensure appropriate indemnification and insurance requirements are included in all service agreements, particularly those with unusual or complex statements of work or risk exposures.

Disability Management

- Staff should respond timely to informational requests from the County's TPA to expedite claim processing and avoid any unnecessary termination of benefits.

Risk Management Program Assessment

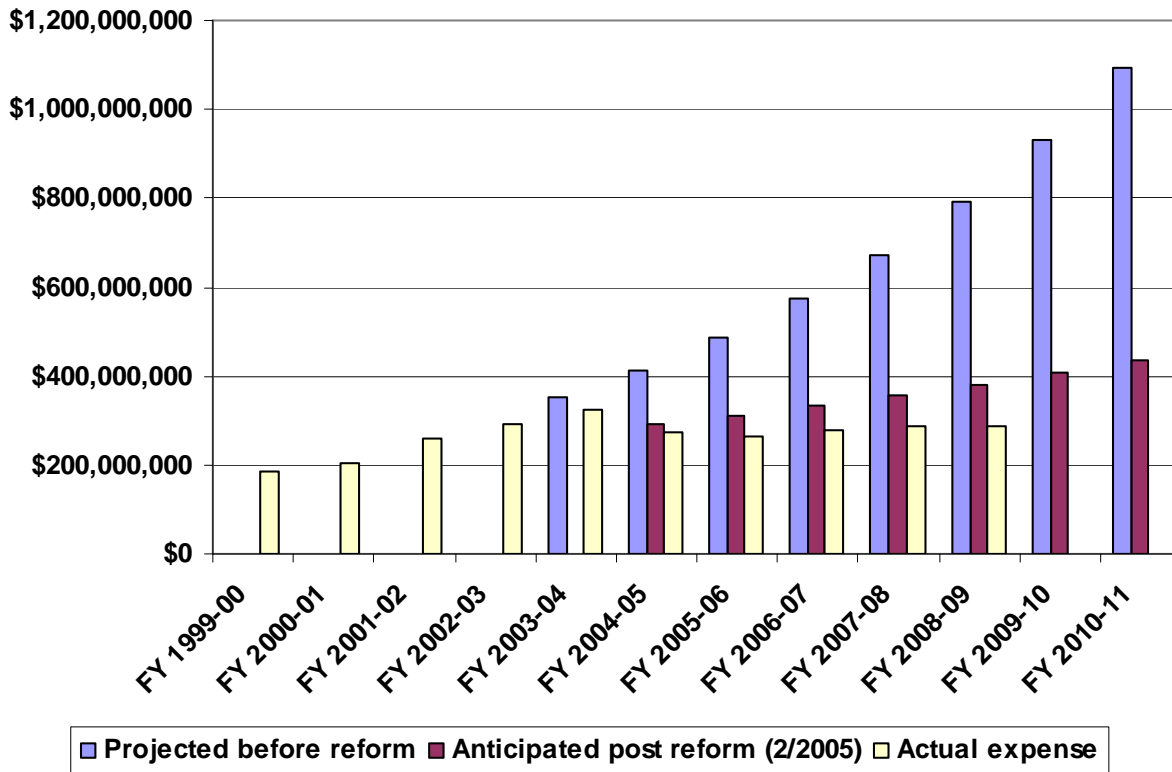
- Staff should, on a regular basis, conduct a departmental self-assessment of risk management functions, including regulatory compliance.

SIGNIFICANT ACCOMPLISHMENTS, FY 2008-09

- At the direction of the Board of Supervisors (Board), and in collaboration with key departments and County Counsel, established the County of Los Angeles Legal Exposure Reduction Committee.
- At the direction of the Board, assisted Department Heads with the development of mandatory risk management-related Management Appraisal and Performance Plan goals.
- Continued and expanded in-depth training and development of County departments' Risk Management Coordinators.
- Participated in over 331 reviews and/or assessments with County departments' staff to assist in development of specific Corrective Action Plans (CAP) and Summary Corrective Action Plans (SCAP). This represents a 32% increase over the number of reviews and/or assessments (250) conducted in FY 2007-08.
- Implemented early notification processes to notify departments of events requiring CAP evaluation and/or development, including CAP/SCAP Development Notices, Significant Event/Daily News Review Notifications, and Monthly \$100,000 CAP Notice Reviews.
- Working with the Legal Exposure Reduction Committee, developed the Risk Exposure Cost Avoidance Plan template to assist departments in risk management strategic planning activity.
- Assisted in developing of the process for the County to comply with the new State of California Medicare Secondary Payer Mandatory Reporting.
- Working with County Counsel, developed a bill review process for third party administrators (TPA) to assure County Counsel's concurrence for all invoices concerning Priority 1 lawsuits.
- Implemented a Countywide Safety Committee with representation from twelve County departments. The committee's mission is to assure a safe and healthful work environment for all County employees. The committee provides a forum for networking of County safety personnel where information can be shared and developed between departments.

- Conducted a Countywide study/evaluation regarding compliance with California Occupational Safety and Health Administration's (Cal/OSHA) powered industrial truck regulations. Provided assistance to departments and developed department-specific plans to bring all departments into compliance by the end of 2009.
- Continued to emphasize claim handling protocols that cultivate evidence-based claim administration, implement cost avoidance mechanisms afforded under the Board-supported workers' compensation reforms of FY 2003-04 (see chart), and improve communication between workers' compensation TPAs and County departments. In FY 2008-09, CEO workers' compensation monitors attended 117 claim reviews and litigation roundtables.

**County of Los Angeles Workers' Compensation Expense and Cost Avoidance
FY 1999-00 through FY 2008-09
(excludes salary continuation and Labor Code 4850)**



Note: The workers' compensation reforms of FY 2003-04 were essential in reducing workers' compensation expenses. Although increases in expenses were anticipated due to mid-course corrections and reform erosions, general medical inflation, indemnity benefit increases, and an increased number of County employees, the County's actual expense experience has been very stable with minimal increases in the last five years. The anticipated effect of the reforms was estimated in February 2005. Actual County expenses are much lower than was projected at that time.

- Conducted comprehensive performance audits of each of the four TPA accounts.
- Working with other public and private employers, defeated several legislative bills and obtained appropriate amendments in other key bills to prevent erosion of the workers' compensation reforms of FY 2003-04 and avoid significant cost increases in the County's workers' compensation program.
- In conjunction with the Department of Human Resources (DHR), successfully implemented a Countywide Long-Term Leave Program, including the County's first inter-departmental transfer process.
- Successfully implemented three medical management contracts which established a utilization review program to promote evidence-based medical treatment and saved the County approximately \$127,000,000 from billed charges in FY 2008-09.
- Developed a pre-placement medical examination waiver program for a majority of administrative positions.
- Implemented a sleep apnea screening program for applicants who drive commercial vehicles or who conduct overnight surveillance in Probation Department facilities. Seventy percent of those selected for screening were found to have sleep apnea.
- Extended specialized training on Workplace Threat Assessment and Violence Prevention to multiple County departments.
- Enhanced and provided Stress Management Training to impacted departments.
- Began meeting with all involved parties, including DHR Employee Benefits Division and CEO Compensation, to clarify short-term and long-term disability program policies and procedures.

KEY OBJECTIVES, FY 2009-10

- Encourage adoption of risk management best practices throughout the County, and assess Countywide compliance with risk management best practices.
- Minimize the County's Cost of Risk.
- Through coordination between departments and the Countywide Legal Exposure Reduction Committee, implement and monitor activities designed to support the annual Countywide and departmental legal exposure reduction goal.
- In collaboration with County Counsel, provide department Risk Management Coordinators access to liability claim data through the ORBIT/COGNOS application and generate and release monthly liability claim performance reports to departments.
- In collaboration with CEO Classification and Compensation and the Legal Reduction Exposure Committee, complete a Countywide risk management classification study and work towards developing standard risk management job classifications.
- Develop and implement a process to provide quality control reviews/approval for all Corrective Action Plans (CAP) and Summary Corrective Action Plans (SCAP) submitted to the Board of Supervisors, Claims Board, or Contract Cities Claims Board.
- Provide project management support and technical guidance to assist the Department of Health Services in implementing its new risk management structure.
- Continue collaboration between CEO, County Counsel, third party administrators, and key departments to streamline Risk Management Information System (RMIS) coding to better track claim and lawsuit data.
- Expand controls in RMIS to better monitor the budget and reserve amounts for major lawsuits.
- Strengthen procedures and reporting for the mileage reimbursement program.
- Develop a comprehensive loss control and prevention self-assessment tool for departments to evaluate their safety programs from a best practice and regulatory compliance standpoint; have the tool validated by the Countywide Safety Committee; and, train department staff on how to complete the assessment tool.

- Consult with County departments' staff to develop plans to improve risk management programs and procedures, and consult with individual departments on corrective actions to address program deficiencies.
- Conduct sample audits of departmental self-assessments, implementation of CAPs, and compliance with Cal/OSHA requirements to identify Countywide deficiency trends.
- Closely work with County Counsel and the Office of Affirmative Action Compliance to ensure departments are aware of requirements established under the Fair Employment and Housing Act, Americans with Disabilities Act, and Americans with Disabilities Amendments Act.
- Actively work with public and private employers and associations, as well as with appropriate State of California administrative and legislative staff, to prevent the legislative erosion of the workers' compensation reforms of FY 2003-04.
- Finalize development of a new medical records database, implement the new system, and train departments on the new system's use.
- Assist departments with implementing the new California Occupational Safety and Health Administration standards regarding airborne and animal-borne pathogens.
- Coordinate with departments to ensure employees receiving commercial driver's medical examinations are also enrolled in the Federal Department of Transportation random drug testing program.
- Assist County departments in deriving and implementing "Rehabilitation Settlement Agreements" as related to employees with substance use/abuse disorders.
- Update, on an as-needed basis, policies and procedures for the Short-Term and Long-Term Disability Programs resulting from quarterly meetings held with CEO Compensation and the Department of Human Resources (DHR) Employee Benefits Division.
- In collaboration with DHR, formally implement the Long-Term Leave (LTL) Program review process and report on findings of those departmental LTL reviews.

STATISTICS

All Claims Count and Cost Summary	Exhibit A
Total Cost Paid – All Claims	Exhibit B
Total Number of Claims Filed by Claim Type.....	Exhibit C
Workers’ Compensation Claim Count and Cost Summary.....	Exhibit D
State of California Labor Code 4850 and Salary Continuation Cost Summary.....	Exhibit E
Vehicle Liability Claim Count and Cost Summary.....	Exhibit F
General Liability Claim Count and Cost Summary.....	Exhibit G
Medical Malpractice Claim Count and Cost Summary.....	Exhibit H
Corrective Action Plans and Summary Corrective Action Plans.	Exhibit I

Note: The total number of claims displayed on Exhibits A, F, G, and H does not add up to the sum of claims by department since some claims are allocated to multiple departments; count includes all suffixes.

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Exhibit A

County of Los Angeles All Claims Count and Cost Summary

Department	FY 2006-07		FY 2007-08		FY 2008-09	
	# New Claims	Amount Paid ^{1,2,3} (all claims)	# New Claims	Amount Paid ^{1,2,3} (all claims)	# New Claims	Amount Paid ^{1,2,3} (all claims)
Affirmative Action Compliance	2	\$31,593	0	\$40,953	2	\$42,625
Agricultural Commissioner/Weights and Measures	52	\$946,488	45	\$1,183,889	54	\$908,601
Alternate Public Defender	7	\$946,768	14	\$461,947	12	\$107,232
Animal Care and Control	126	\$764,468	172	\$1,218,104	128	\$1,553,426
Assessor	50	\$1,483,068	54	\$1,404,834	52	\$1,181,621
Auditor-Controller	34	\$823,301	55	\$316,326	55	\$766,134
Beaches and Harbors	27	\$595,299	51	\$503,216	39	\$1,374,640
Board of Supervisors	17	\$742,663	39	\$752,436	35	\$1,555,047
Chief Executive Office	22	\$671,804	20	\$959,156	29	\$1,256,124
Chief Information Office	0	\$3,523	1	\$17,092	0	\$39,485
Child Support Services	110	\$3,514,675	130	\$3,302,528	119	\$3,173,403
Children and Family Services	463	\$17,846,546	557	\$18,009,260	522	\$19,450,789
Community and Senior Services	20	\$860,131	19	\$988,587	24	\$946,549
Consumer Affairs	1	\$57,944	5	\$235,753	4	\$107,996
Coroner	69	\$960,420	82	\$1,192,293	73	\$1,424,706
County Counsel	19	\$645,079	26	\$415,052	9	\$361,974
District Attorney	136	\$6,346,038	174	\$5,228,194	144	\$5,472,892
Fire	1,470	\$49,427,715	1,548	\$51,454,753	1,439	\$54,221,111
Health Services	1,813	\$65,623,044	1,850	\$63,005,583	1,695	\$69,725,868
Human Relations Commission	0	\$970	3	\$43,458	2	\$41,584
Human Resources	9	\$282,058	5	\$89,931	6	\$120,138
Internal Services	145	\$6,126,381	191	\$4,592,515	148	\$4,475,242
LACERA	7	\$471,357	16	\$362,021	8	\$345,942
Mental Health	203	\$5,732,343	235	\$7,145,533	224	\$7,837,514
Military and Veterans Affairs	1	\$54,452	2	\$76,120	0	\$12,054
Museum of Art	4	\$167,347	3	\$204,249	2	\$57,225
Museum of Natural History	4	\$103,660	5	\$180,884	7	\$257,165
Non-Jurisdictional	353	\$261,290	443	\$450,267	483	\$174,350
Office of Public Safety	113	\$4,470,546	89	\$4,403,913	113	\$5,117,807
Ombudsman	1	\$0	0	\$0	2	\$0
Parks and Recreation	304	\$6,396,296	288	\$3,541,620	275	\$3,947,958
Pending Assignment	26	\$18,268	8	\$3,754	86	\$4,079
Probation	776	\$27,741,597	861	\$32,948,868	904	\$38,299,667
Public Defender	52	\$1,280,274	59	\$1,375,605	63	\$2,210,166
Public Health	256	\$7,675,253	235	\$9,924,428	217	\$6,877,916
Public Library	73	\$844,160	47	\$1,023,735	51	\$787,481
Public Social Services	822	\$31,390,751	912	\$33,387,751	843	\$34,390,894
Public Works	943	\$14,153,206	1,042	\$15,941,749	908	\$12,470,707
Regional Planning	9	\$56,376	13	\$227,916	30	\$473,202
Registrar-Recorder/County Clerk	100	\$1,168,798	116	\$2,572,695	90	\$3,901,455
Sheriff	5,475	\$135,999,764	6,339	\$130,664,708	6,008	\$144,223,332
Superior Court	257	\$9,909,792	257	\$9,421,941	294	\$10,048,445
Treasurer and Tax Collector	31	\$747,881	154	\$1,233,007	133	\$1,444,734
Total⁴	14,161	\$407,343,387	15,848	\$410,506,624	15,188	\$441,189,280

1. Amount Paid is the total of the transactions paid by coverage code in the fiscal year regardless of occurrence date plus amounts paid for workers' compensation from the Workers' Compensation Status Report. Amount Paid includes indemnity, legal fees and expenses. Does not include RBNP or IBNR reserves. Workers' compensation paid does not reflect State of California Labor Code 4850 or salary continuation payments. Data do not include unemployment costs.
2. Above information includes pending and non-jurisdictional departments, but does not include associated agencies that are not County departments, i.e., MTA, Foothill Transit, etc. This information does include County Counsel tort files. County Counsel expenditures are included.
3. Amounts valued as of June 30, 2009.
4. The total number of claims does not add up to the sum of claims by department since some claims are allocated to multiple departments; count includes all suffixes.

Exhibit B

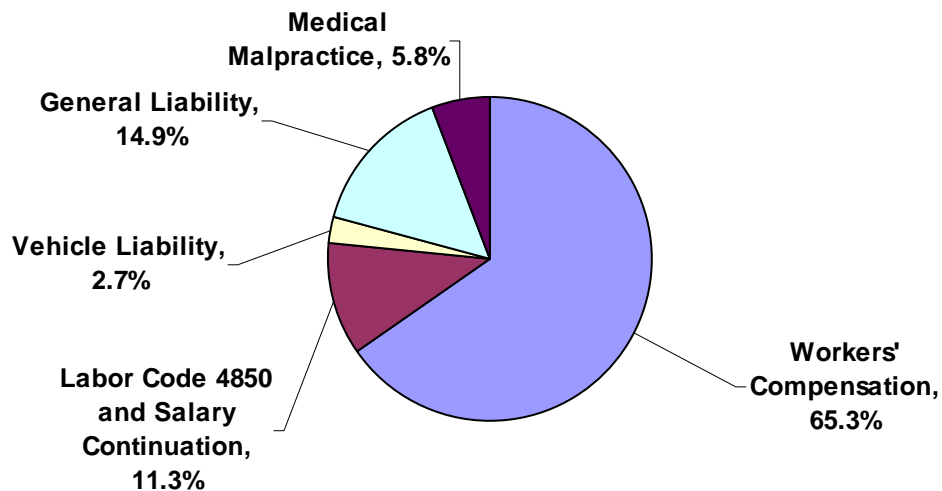
County of Los Angeles Total Cost Paid – All Claims^{1,2,3}
FY 2006-07 through FY 2008-09

Fiscal Year	FY 2006-07	FY 2007-08	FY 2008-09
Workers' Compensation ⁴	\$279,991,751	\$285,055,563	\$288,377,294
Labor Code 4850 and Salary Continuation	\$43,007,829	\$39,899,699	\$49,687,965
Vehicle Liability	\$10,064,256	\$10,786,064	\$12,011,381
General Liability	\$52,009,616	\$56,453,775	\$65,672,955
Medical Malpractice	\$22,269,935	\$18,311,523	\$25,439,685
Total	\$407,343,387	\$410,506,624	\$441,189,280

Notes:

1. Data do not include unemployment costs.
2. Data include pending and non-jurisdictional departments, but do not include associated agencies that are not County departments, i.e. MTA, Foothill Transit, etc. This information includes County Counsel tort claims.
3. Amount Paid is the total of the transactions paid by coverage code in the fiscal year; amount includes indemnity, legal fees and expenses, regardless of occurrence date; does not include RBNP or IBNR reserves.
4. Workers' compensation paid does not reflect State of California Labor Code 4850 or salary continuation payments.

County of Los Angeles Percentage of Total Cost Paid by Claim Type
FY 2008-09



**County of Los Angeles Percentage of All Claims Cost Paid by Department
FY 2008-09**

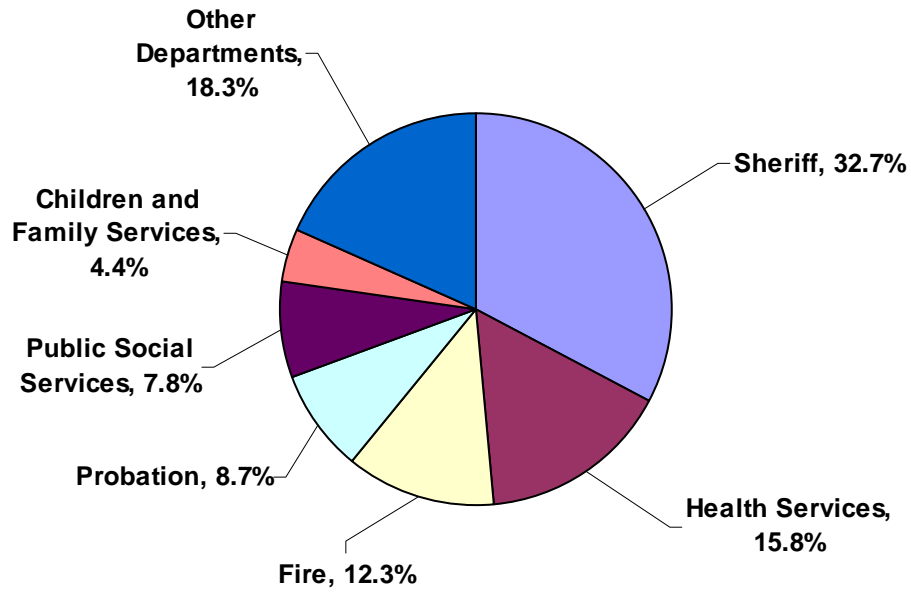


Exhibit C

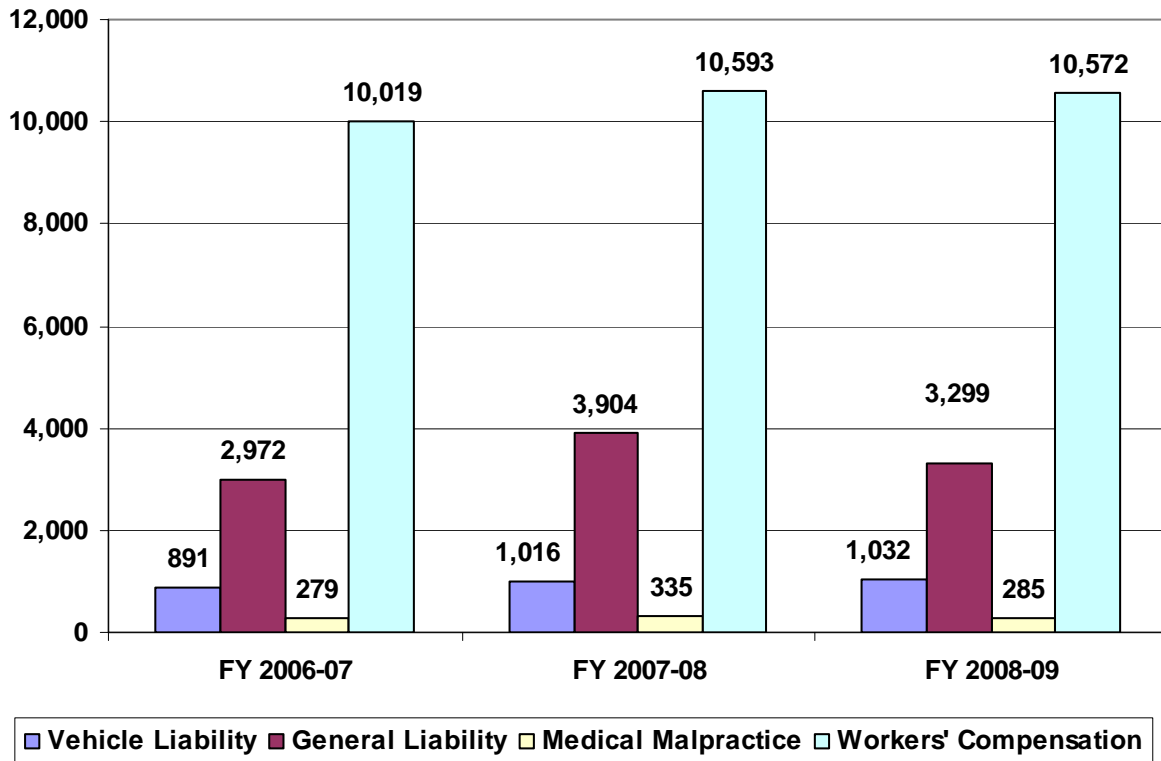
**County of Los Angeles Total Number of Claims Filed by Claim Type
FY 2006-07 through FY 2008-09**

Claim Type^{1,2}	FY 2006-07	FY 2007-08	FY 2008-09
Vehicle Liability	891	1,016	1,032
General Liability	2,972	3,904	3,299
Medical Malpractice	279	335	285
Workers' Compensation	10,019	10,593	10,572
Grand Total	14,161	15,848	15,188

1. Total number of claims filed by fiscal year regardless of date of occurrence; count includes all suffixes.

2. Includes County Counsel tort claims, but not agencies that are not County departments, i.e., MTA, Foothill Transit, etc.

**County of Los Angeles Total Number of Claims Filed by Claim Type
FY 2006-07 through FY 2008-09**



FY 2008-09 Risk Management Annual Report

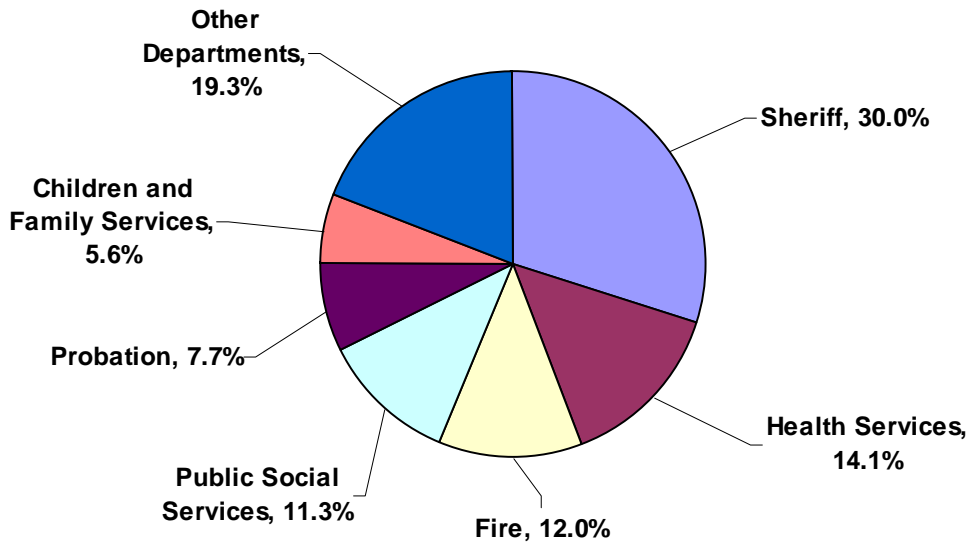
Exhibit D

County of Los Angeles Workers' Compensation Claim Count and Cost Summary FY 2006-07 through FY 2008-09

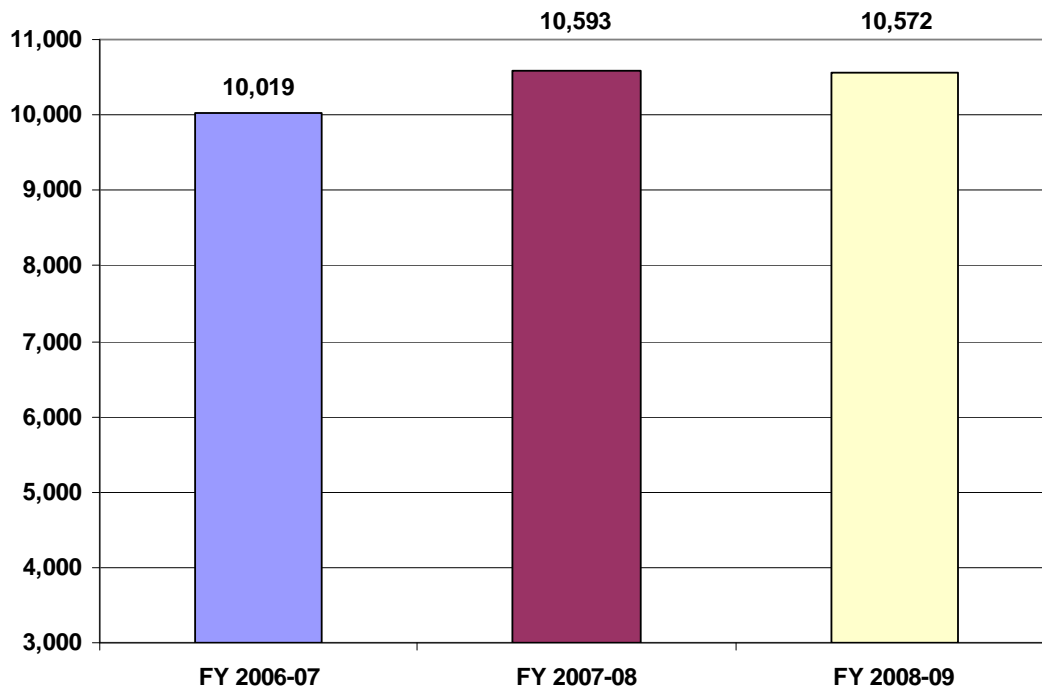
Department	FY 2006-07		FY 2007-08		FY 2008-09	
	# New Claims	Amount Paid ^{1,2,3} (all claims)	# New Claims	Amount Paid ^{1,2,3} (all claims)	# New Claims	Amount Paid ^{1,2,3} (all claims)
Affirmative Action Compliance	2	\$23,673	0	\$40,953	2	\$41,935
Agricultural Commissioner/Weights and Measures	34	\$880,361	26	\$645,008	28	\$541,923
Alternate Public Defender	4	\$84,083	8	\$104,675	7	\$50,400
Animal Care and Control	110	\$553,675	126	\$808,605	100	\$959,125
Assessor	43	\$1,383,476	33	\$1,201,143	24	\$843,956
Auditor-Controller	17	\$430,764	7	\$241,048	17	\$297,077
Beaches and Harbors	11	\$446,697	19	\$360,655	21	\$573,648
Board of Supervisors	4	\$254,034	20	\$215,841	11	\$197,645
Chief Executive Office	7	\$471,557	7	\$462,473	13	\$357,442
Chief Information Office	0	\$3,523	0	\$17,092	0	\$39,485
Child Support Services	94	\$3,116,813	102	\$3,082,325	100	\$2,861,687
Children and Family Services	344	\$15,020,425	364	\$14,442,254	387	\$16,148,124
Community and Senior Services	16	\$680,532	15	\$642,918	15	\$761,120
Consumer Affairs	1	\$34,376	1	\$229,020	3	\$107,996
Coroner	33	\$663,801	28	\$803,166	34	\$778,841
County Counsel	15	\$473,924	9	\$354,222	7	\$318,718
District Attorney	67	\$5,297,821	83	\$4,102,570	67	\$3,908,491
Fire	1,282	\$32,122,194	1,416	\$35,169,970	1,306	\$34,580,503
Health Services	1,317	\$41,112,183	1,272	\$40,587,008	1,230	\$40,609,535
Human Relations Commission	0	\$970	3	\$42,576	0	\$39,929
Human Resources	4	\$279,368	5	\$88,689	4	\$68,916
Internal Services	104	\$5,530,406	135	\$4,204,238	99	\$3,848,214
LACERA	7	\$459,001	15	\$362,021	8	\$329,403
Mental Health	139	\$3,737,740	155	\$5,643,347	170	\$5,154,174
Military and Veterans Affairs	0	\$41,813	2	\$71,557	0	\$12,054
Museum of Art	0	\$157,347	1	\$195,079	2	\$57,225
Museum of Natural History	3	\$103,660	3	\$180,620	5	\$223,409
Non-Jurisdictional	0	\$0	0	\$0	0	\$0
Office of Public Safety	93	\$3,157,318	52	\$3,303,537	67	\$4,044,477
Ombudsman	1	\$0	0	\$0	0	\$0
Parks and Recreation	215	\$3,104,189	199	\$2,983,425	177	\$3,318,823
Pending Assignment	20	\$0	7	\$0	3	\$0
Probation	706	\$19,011,659	766	\$23,204,251	823	\$22,085,338
Public Defender	31	\$1,030,051	43	\$1,191,034	51	\$903,391
Public Health	218	\$6,248,309	200	\$6,611,619	174	\$5,808,864
Public Library	62	\$789,065	34	\$926,092	41	\$759,404
Public Social Services	789	\$29,154,403	854	\$31,727,123	783	\$32,593,077
Public Works	260	\$5,985,284	277	\$5,744,929	254	\$5,365,086
Regional Planning	4	\$43,449	4	\$139,786	2	\$246,027
Registrar-Recorder/County Clerk	71	\$1,056,660	66	\$1,688,207	69	\$2,332,243
Sheriff	3,623	\$87,055,629	3,955	\$83,460,845	4,150	\$86,772,149
Superior Court	255	\$9,332,644	256	\$8,926,928	292	\$9,616,640
Treasurer and Tax Collector	13	\$658,874	25	\$848,714	26	\$820,800
Total	10,019	\$279,991,751	10,593	\$285,055,563	10,572	\$288,377,294

1. Amount Paid is the total of the transactions paid for workers' compensation in the fiscal year; amount includes indemnity, legal fees and expenses, regardless of date of occurrence. Does not include RBNP or IBNR reserves. Workers' compensation paid does not include State of California Labor Code 4850 or salary continuation payments.
2. Amounts shown as listed on the Workers' Compensation Status Report.
3. Superior Court expenses are billed to the State of California.

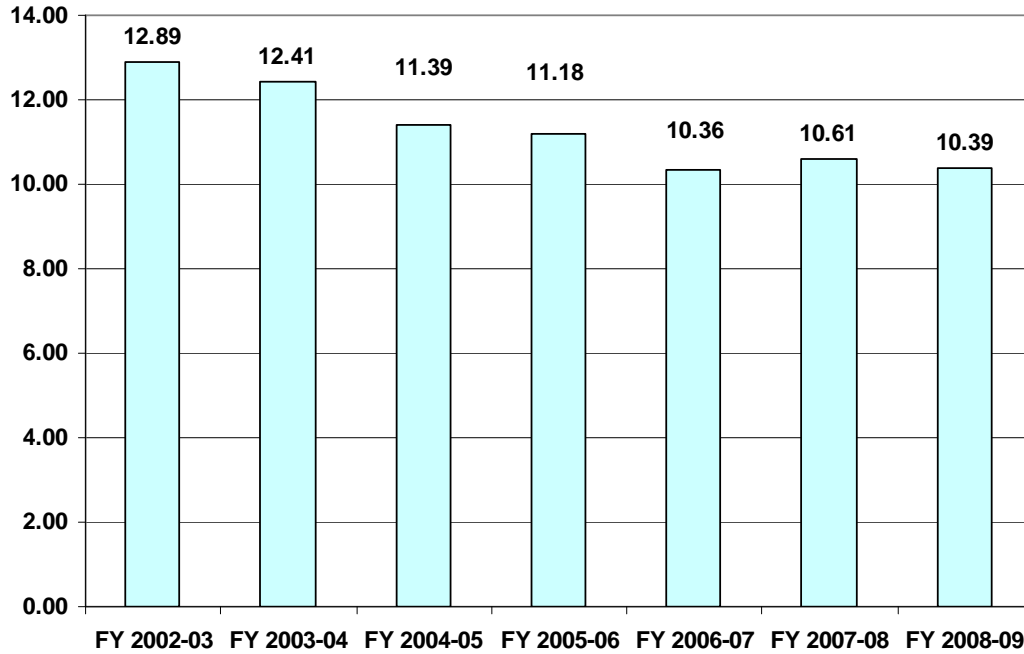
**County of Los Angeles Percentage of Workers' Compensation Cost
Paid by Department, FY 2008-09**



**County of Los Angeles Number of Workers' Compensation Claims
FY 2006-07 through FY 2008-09**



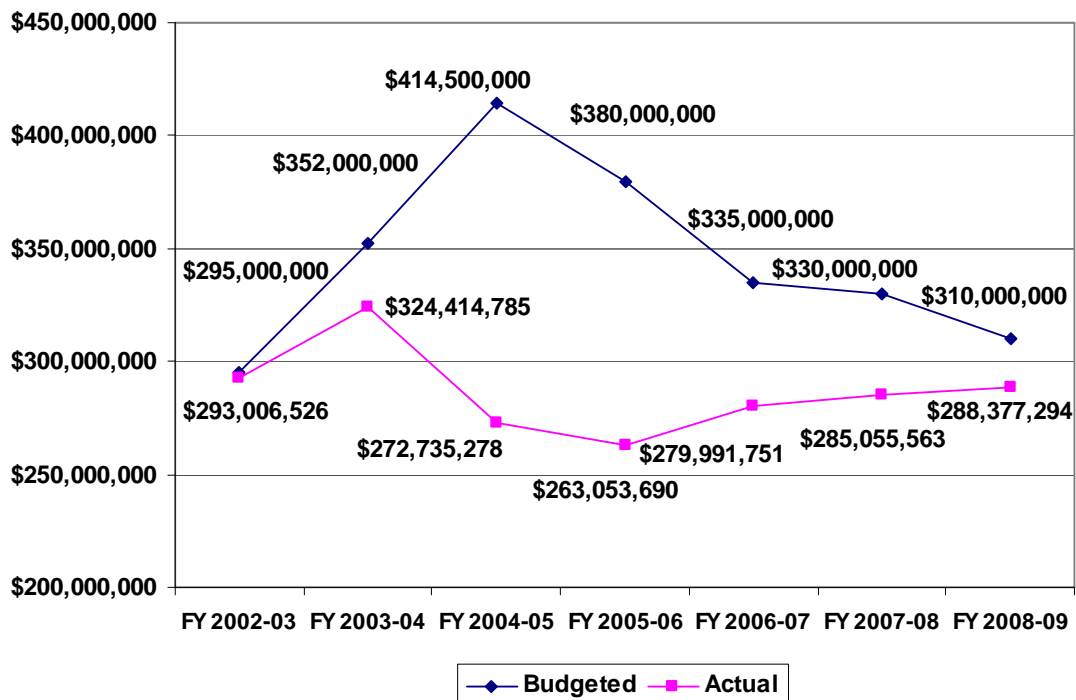
County of Los Angeles Workers' Compensation Claims per 100 Employees¹
FY 2002-03 through FY 2008-09



Note:

1. Employee count is based on payroll reports as of December 31 each fiscal year.

County of Los Angeles Workers' Compensation Budgeted vs. Actual Paid
FY 2002-03 through FY 2008-09



FY 2008-09 Risk Management Annual Report

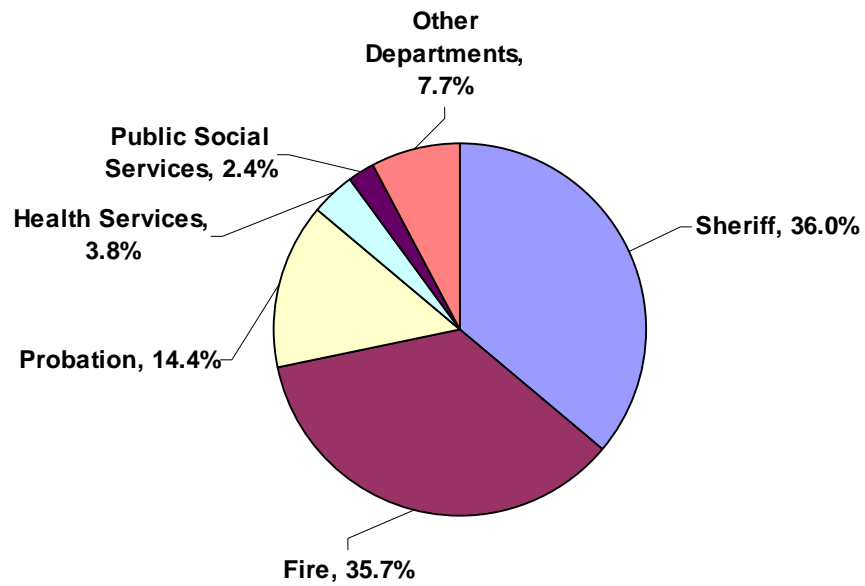
Exhibit E

County of Los Angeles State Labor Code 4850 and Salary Continuation Cost Summary FY 2006-07 through FY 2008-09

Department	FY 2006-07	FY 2007-08	FY 2008-09
	Amount Paid ¹	Amount Paid ¹	Amount Paid ¹
Affirmative Action Compliance	\$7,920	\$0	\$690
Agricultural Commissioner/Weights and Measures	\$29,126	\$4,442	\$12,035
Alternate Public Defender	\$7,963	\$0	\$0
Animal Care and Control	\$58,343	\$62,541	\$90,354
Assessor	\$16,576	\$22,857	\$19,059
Auditor-Controller	\$16,326	\$3,120	\$8,810
Beaches and Harbors	\$25,821	\$27,578	\$35,467
Board of Supervisors	\$0	\$0	\$77,657
Chief Executive Office	\$12,331	\$18,791	\$8,293
Chief Information Office	\$0	\$0	\$0
Child Support Services	\$76,119	\$95,281	\$128,965
Children and Family Services	\$739,930	\$652,004	\$891,392
Community and Senior Services	\$20,412	\$43,153	\$2,792
Consumer Affairs	\$23,568	\$3,532	\$0
Coroner	\$52,058	\$43,551	\$28,900
County Counsel	\$20,578	\$7,912	\$0
District Attorney	\$324,007	\$175,571	\$332,925
Fire	\$13,107,930	\$13,854,159	\$17,714,088
Health Services	\$1,635,262	\$1,376,017	\$1,871,252
Human Relations Commission	\$0	\$882	\$0
Human Resources	\$1,320	\$0	\$36,796
Internal Services	\$261,844	\$153,518	\$169,181
LACERA	\$12,356	\$0	\$16,539
Mental Health	\$98,439	\$149,684	\$225,664
Military and Veterans Affairs	\$12,639	\$4,563	\$0
Museum of Art	\$0	\$8,634	\$0
Museum of Natural History	\$0	\$0	\$9,996
Non-Jurisdictional	\$0	\$0	\$0
Office of Public Safety	\$276,648	\$401,266	\$375,398
Ombudsman	\$0	\$0	\$0
Parks and Recreation	\$222,610	\$152,830	\$172,460
Pending Assignment	\$0	\$0	\$0
Probation	\$7,809,314	\$7,097,840	\$7,180,876
Public Defender	\$52,006	\$84,076	\$110,036
Public Health	\$299,835	\$307,128	\$284,082
Public Library	\$35,219	\$24,690	\$0
Public Social Services	\$1,329,588	\$1,392,135	\$1,215,114
Public Works	\$319,643	\$232,002	\$208,522
Regional Planning	\$0	\$0	\$21,879
Registrar-Recorder/County Clerk	\$53,926	\$55,843	\$71,555
Sheriff	\$15,457,230	\$12,888,961	\$17,872,383
Superior Court	\$577,052	\$495,013	\$431,805
Treasurer and Tax Collector	\$13,890	\$60,125	\$63,000
Total	\$43,007,829	\$39,899,699	\$49,687,965

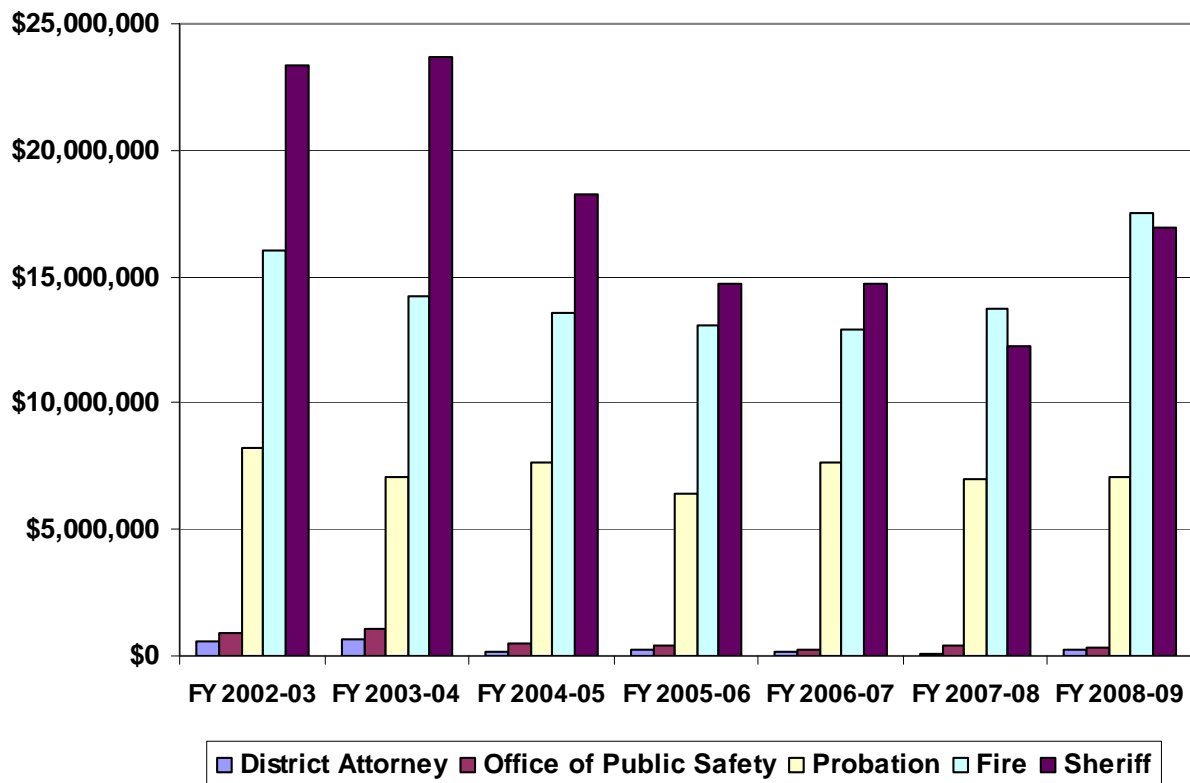
1. Amount Paid is as reported by the Auditor-Controller based on the sum of 70% IA, 100% IA, and MegaIA expense.

**County of Los Angeles State Labor Code 4850 and Salary Continuation
Cost Summary by Department, FY 2008-09**



**County of Los Angeles State Labor Code 4850 Expense by Fiscal Year
FY 2006-07 through FY 2008-09
(excludes salary continuation)**

Department	FY 2002-03	FY 2003-04	FY 2004-05	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09
District Attorney	\$574,541	\$662,894	\$198,966	\$220,551	\$200,144	\$109,827	\$265,920
Office of Public Safety	\$878,543	\$1,048,356	\$463,340	\$445,418	\$272,540	\$370,676	\$368,610
Probation	\$8,207,591	\$7,097,038	\$7,608,916	\$6,398,513	\$7,656,312	\$7,020,446	\$7,073,880
Fire	\$16,054,957	\$14,186,108	\$13,579,058	\$13,094,365	\$12,922,178	\$13,736,306	\$17,510,889
Sheriff	\$23,354,324	\$23,679,518	\$18,265,576	\$14,708,341	\$14,723,400	\$12,260,601	\$16,979,878



Source: Auditor-Controller, based on 100% IA Earnings.

FY 2008-09 Risk Management Annual Report

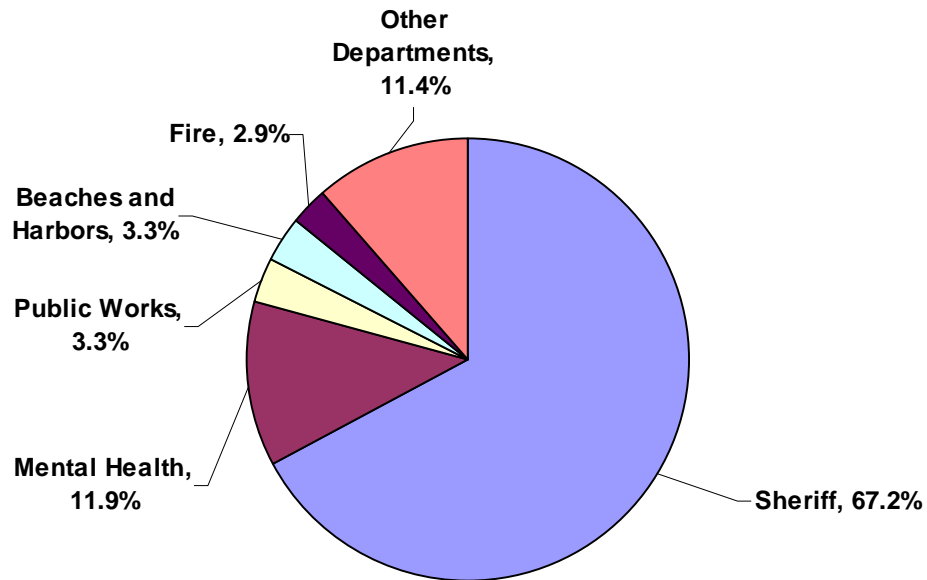
Exhibit F

County of Los Angeles Vehicle Liability Claim Count and Cost Summary FY 2006-07 through FY 2008-09

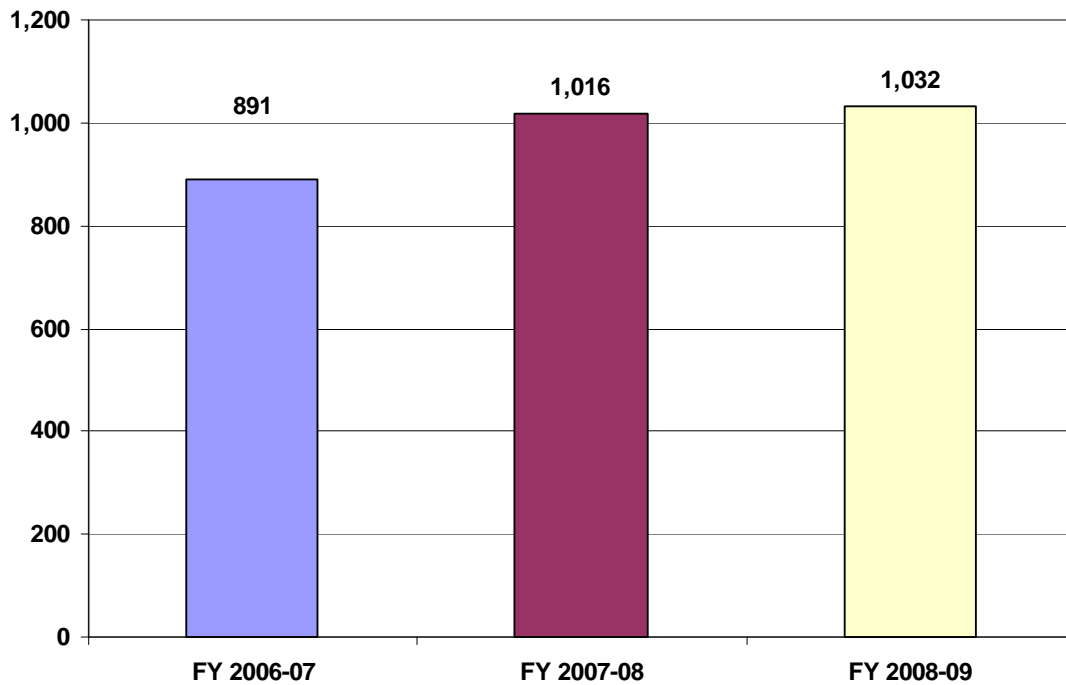
Department	FY 2006-07		FY 2007-08		FY 2008-09	
	# New Claims	Amount Paid ^{1,2,3} (all claims)	# New Claims	Amount Paid ^{1,2,3} (all claims)	# New Claims	Amount Paid ^{1,2,3} (all claims)
Affirmative Action Compliance	0	\$0	0	\$0	0	\$0
Agricultural Commissioner/Weights and Measures	10	\$35,040	2	\$489,586	17	\$206,545
Alternate Public Defender	0	\$0	3	\$90	0	\$6,347
Animal Care and Control	3	\$1,031	8	\$5,287	3	\$26,193
Assessor	2	\$1,653	2	\$1,837	7	\$4,006
Auditor-Controller	1	\$7,685	0	\$0	2	\$0
Beaches and Harbors	1	\$4,604	8	\$43,322	3	\$395,263
Board of Supervisors	7	\$10,886	6	\$41,585	12	\$36,700
Chief Executive Office	3	\$831	0	\$0	1	\$0
Chief Information Office	0	\$0	0	\$0	0	\$0
Child Support Services	1	\$413	4	\$14,270	3	\$3,239
Children and Family Services	46	\$204,072	66	\$131,337	46	\$272,361
Community and Senior Services	2	\$3,094	2	\$0	3	\$2,512
Consumer Affairs	0	\$0	2	\$3,201	0	\$0
Coroner	15	\$2,253	3	\$28,380	6	\$83,380
County Counsel	0	\$0	9	\$755	0	\$2,674
District Attorney	10	\$112,071	32	\$71,815	9	\$40,105
Fire	128	\$3,556,897	90	\$820,878	87	\$346,415
Health Services	14	\$78,277	13	\$44,335	14	\$101,612
Human Relations Commission	0	\$0	0	\$0	2	\$1,655
Human Resources	2	\$1,203	0	\$1,242	1	\$0
Internal Services	20	\$240,769	19	\$133,550	22	\$59,287
LACERA	0	\$0	0	\$0	0	\$0
Mental Health	11	\$115,282	27	\$148,990	13	\$1,429,273
Military and Veterans Affairs	0	\$0	0	\$0	0	\$0
Museum of Art	0	\$0	0	\$0	0	\$0
Museum of Natural History	1	\$0	0	\$0	0	\$0
Non-Jurisdictional	60	\$27,200	79	\$4,521	107	\$25,911
Office of Public Safety	14	\$9,216	14	\$98,693	18	\$57,526
Ombudsman	0	\$0	0	\$0	0	\$0
Parks and Recreation	32	\$81,054	29	\$7,620	41	\$134,443
Pending Assignment	0	\$6,385	1	\$3,534	0	\$3,499
Probation	15	\$32,458	21	\$67,728	13	\$149,463
Public Defender	5	\$30,439	1	\$948	2	\$0
Public Health	21	\$81,927	14	\$26,542	26	\$100,424
Public Library	2	\$8,273	1	\$406	4	\$6,448
Public Social Services	10	\$63,328	18	\$115,996	9	\$39,332
Public Works	105	\$577,178	106	\$357,978	86	\$398,279
Regional Planning	0	\$0	0	\$0	1	\$0
Registrar-Recorder/County Clerk	3	\$20,866	1	\$12,933	1	\$4,955
Sheriff	347	\$4,749,871	435	\$8,108,705	475	\$8,073,534
Superior Court	0	\$0	0	\$0	0	\$0
Treasurer and Tax Collector	0	\$0	0	\$0	0	\$0
Total⁴	891	\$10,064,256	1,016	\$10,786,064	1,032	\$12,011,381

1. Amount Paid is the total of the transactions paid for vehicle liability claims and lawsuits in the fiscal year; amount includes indemnity, legal fees and expenses, regardless of date of occurrence. Does not include RBNP or IBNR reserves.
2. Above information includes pending and non-jurisdictional departments, but does not include associated agencies that are not County departments, i.e., MTA, Foothill Transit, etc. This information includes County Counsel tort files.
3. Amounts do not include non-insured and non-third party vehicle losses which are directly paid by the departments. Amounts valued as of June 30, 2009.
4. The total number of claims does not add up to the sum of claims by department since some claims are allocated to multiple departments; count includes all suffixes.

**County of Los Angeles Percentage of Vehicle Liability Cost Paid by Department
FY 2008-09**



**County of Los Angeles Number of Vehicle Liability Claims
FY 2006-07 through FY 2008-09**



FY 2008-09 Risk Management Annual Report

Exhibit G

County of Los Angeles General Liability Claim Count and Cost Summary FY 2006-07 through FY 2008-09

Department	FY 2006-07		FY 2007-08		FY 2008-09	
	# New Claims	Amount Paid ^{1,2,3} (all claims)	# New Claims	Amount Paid ^{1,2,3} (all claims)	# New Claims	Amount Paid ^{1,2,3} (all claims)
Affirmative Action Compliance	0	\$0	0	\$0	0	\$0
Agricultural Commissioner/Weights and Measures	8	\$1,961	17	\$44,853	9	\$148,098
Alternate Public Defender	3	\$854,722	3	\$357,182	5	\$50,485
Animal Care and Control	13	\$151,419	38	\$341,671	25	\$477,754
Assessor	5	\$81,363	19	\$178,997	21	\$314,600
Auditor-Controller	16	\$368,526	48	\$72,158	36	\$460,247
Beaches and Harbors	15	\$118,177	24	\$71,661	15	\$370,262
Board of Supervisors	6	\$477,743	13	\$495,010	12	\$1,243,045
Chief Executive Office	12	\$187,085	13	\$477,892	15	\$890,389
Chief Information Office	0	\$0	1	\$0	0	\$0
Child Support Services	15	\$321,330	24	\$110,652	16	\$179,512
Children and Family Services	73	\$1,882,094	126	\$2,783,665	89	\$2,138,912
Community and Senior Services	2	\$156,093	2	\$302,516	6	\$180,125
Consumer Affairs	0	\$0	2	\$0	1	\$0
Coroner	15	\$29,499	43	\$53,387	33	\$268,821
County Counsel	4	\$150,577	8	\$52,163	2	\$40,582
District Attorney	59	\$612,139	59	\$878,238	68	\$1,191,371
Fire	45	\$593,776	38	\$1,477,761	35	\$1,340,951
Health Services	297	\$3,163,145	294	\$4,344,047	204	\$4,584,804
Human Relations Commission	0	\$0	0	\$0	0	\$0
Human Resources	3	\$167	0	\$0	1	\$14,426
Internal Services	21	\$93,362	37	\$101,209	27	\$398,560
LACERA	0	\$0	1	\$0	0	\$0
Mental Health	30	\$1,661,070	37	\$1,111,616	31	\$944,685
Military and Veterans Affairs	1	\$0	0	\$0	0	\$0
Museum of Art	4	\$10,000	2	\$536	0	\$0
Museum of Natural History	0	\$0	2	\$264	2	\$23,760
Non-Jurisdictional	270	\$233,511	345	\$445,746	364	\$148,114
Office of Public Safety	6	\$1,027,341	22	\$513,135	26	\$637,961
Ombudsman	0	\$0	0	\$0	2	\$0
Parks and Recreation	57	\$2,988,443	60	\$397,745	57	\$322,232
Pending Assignment	6	\$11,883	0	\$220	83	\$580
Probation	54	\$886,577	74	\$2,576,346	68	\$8,883,990
Public Defender	16	\$167,778	15	\$99,547	10	\$1,196,739
Public Health	16	\$1,019,428	18	\$2,760,171	15	\$666,546
Public Library	9	\$11,603	12	\$72,547	6	\$21,629
Public Social Services	23	\$843,432	38	\$152,497	51	\$543,371
Public Works	578	\$7,271,101	659	\$9,606,840	568	\$6,498,820
Regional Planning	5	\$12,927	9	\$88,130	27	\$205,296
Registrar-Recorder/County Clerk	26	\$37,346	49	\$815,712	20	\$1,492,702
Sheriff	1,462	\$26,508,785	1,924	\$25,345,493	1,375	\$29,232,652
Superior Court	2	\$96	1	\$0	2	\$0
Treasurer and Tax Collector	18	\$75,117	129	\$324,168	107	\$560,934
Total⁴	2,972	\$52,009,616	3,904	\$56,453,775	3,299	\$65,672,955

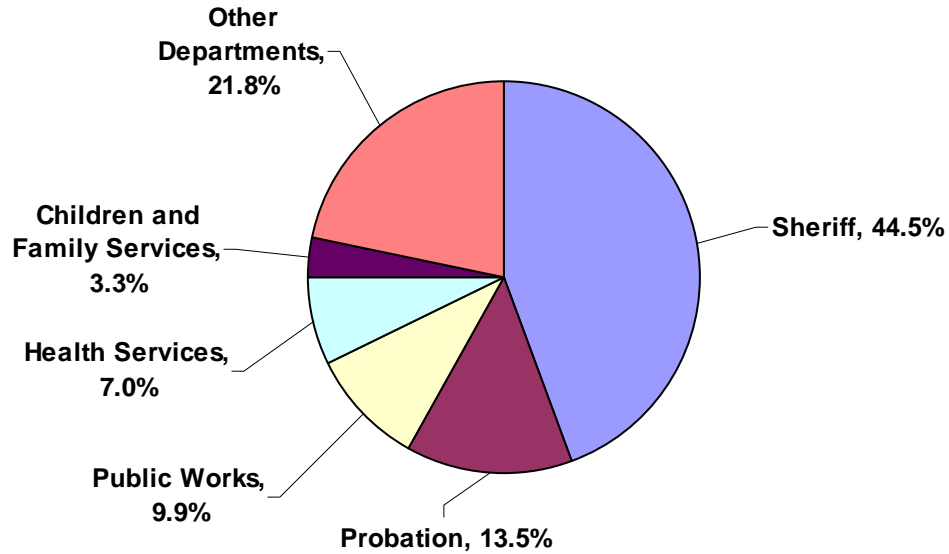
1. Amount Paid is the total of the transactions paid for liability claims and lawsuits in the fiscal year; amount includes indemnity, legal fees and expenses, regardless of date of occurrence. Does not include RBNP or IBNR reserves.

2. Above information includes pending and non-jurisdictional departments, but does not include associated agencies that are not County departments, i.e., MTA, Foothill Transit, etc. This information includes County Counsel tort files.

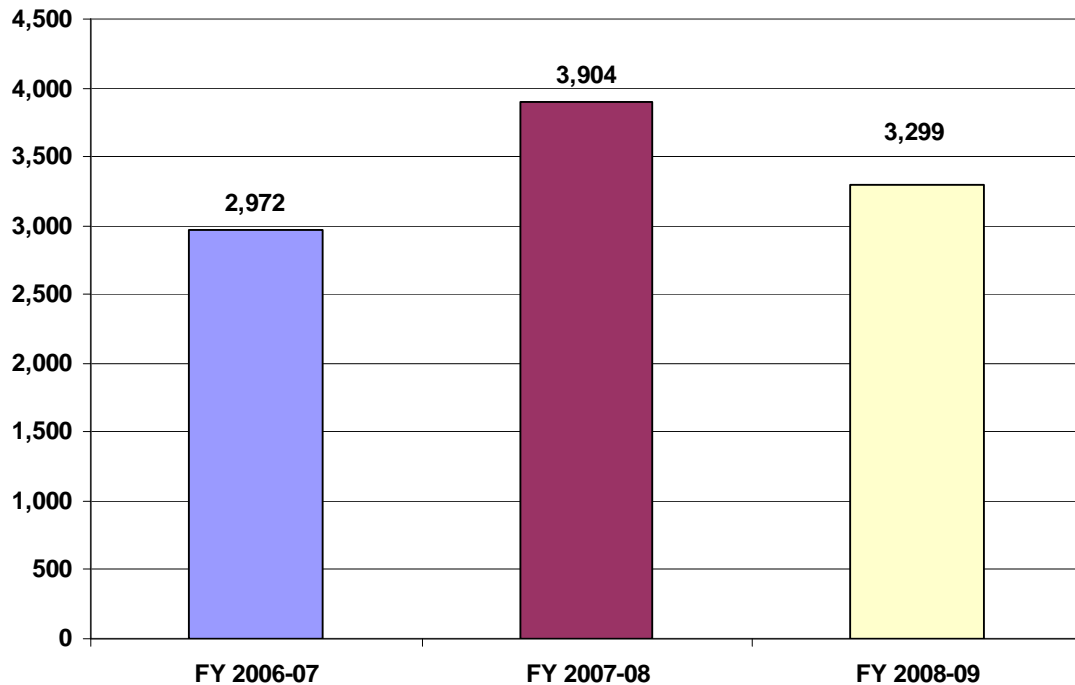
3. Amounts valued as of June 30, 2009.

4. The total number of claims does not add up to the sum of claims by department since some claims are allocated to multiple departments; count includes all suffixes.

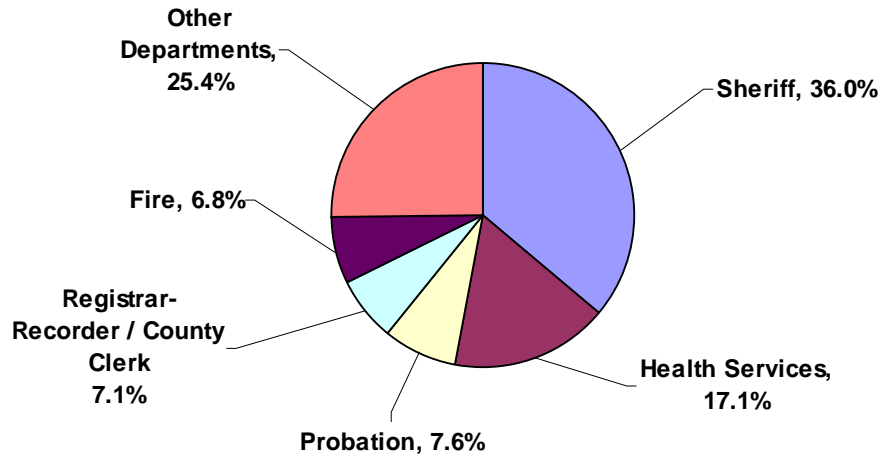
County of Los Angeles Percentage of General Liability Cost Paid by Department
FY 2008-09



County of Los Angeles Number of General Liability Claims
FY 2006-07 through FY 2008-09

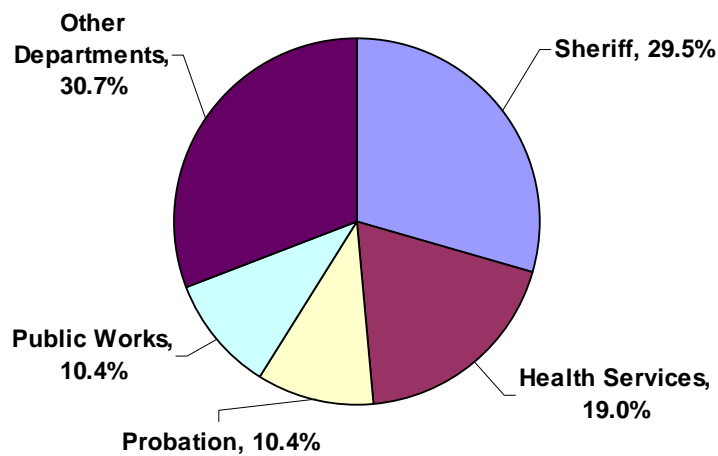


**County of Los Angeles Percentage of Employment Practices Liability
Cost Paid by Department, FY 2008-09**



Note: Employment Practices Liability cases are a subset of the General Liability category.

**County of Los Angeles Percentage of Employment Practices Liability
Claim Count by Department, FY 2008-09**



FY 2008-09 Risk Management Annual Report

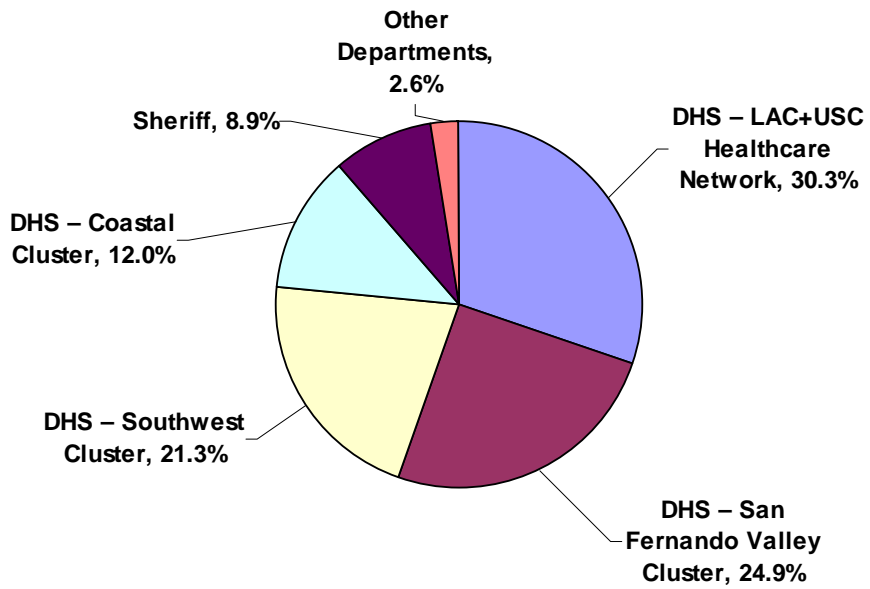
Exhibit H

County of Los Angeles Medical Malpractice Claim Count and Cost Summary FY 2006-07 through FY 2008-09

Department	FY 2006-07		FY 2007-08		FY 2008-09	
	# New Claims	Amount Paid ^{1,2,3} (all claims)	# New Claims	Amount Paid ^{1,2,3} (all claims)	# New Claims	Amount Paid ^{1,2,3} (all claims)
DHS – Antelope Valley Cluster	10	\$84,112	5	\$19,250	10	\$21,336
DHS – Coastal Cluster	32	\$3,482,781	76	\$4,474,803	85	\$3,041,756
DHS – LAC+USC Healthcare Network	71	\$10,363,885	107	\$9,358,367	107	\$7,705,466
DHS – Other ⁴	7	\$12	5	\$33,891	2	\$1,025
DHS – Rancho Los Amigos	7	\$67,274	8	\$8,130	16	\$32,240
DHS – San Fernando Valley Cluster	29	\$1,309,533	53	\$633,371	27	\$6,349,198
DHS – Southwest Cluster	40	\$4,326,580	25	\$2,126,364	20	\$5,407,644
Health Services Subtotal⁵	185	\$19,634,177	271	\$16,654,176	247	\$22,558,665
Children and Family Services	0	\$25	1	\$0	0	\$0
Coroner	6	\$212,809	8	\$263,809	0	\$264,764
Fire	15	\$46,918	4	\$131,985	11	\$239,154
Mental Health	23	\$119,812	16	\$91,896	10	\$83,718
Non-Jurisdictional	23	\$579	19	\$0	12	\$325
Office of Public Safety	0	\$23	1	\$87,282	2	\$2,445
Probation	1	\$1,589	0	\$2,703	0	\$0
Public Health	1	\$25,754	3	\$218,968	2	\$18,000
Public Social Services	0	\$0	2	\$0	0	\$0
Sheriff	43	\$2,228,249	25	\$860,704	8	\$2,272,614
Total⁵	279	\$22,269,935	335	\$18,311,523	285	\$25,439,685

1. Amount Paid is the total of the transactions paid for medical malpractice claims and lawsuits in the fiscal year; amount includes indemnity, legal fees and expenses, regardless of date of occurrence. Does not include RBNP or IBNR reserves.
2. Above information includes pending and non-jurisdictional departments, but does not include associated agencies that are not County departments, i.e., MTA, Foothill Transit, etc. This information includes County Counsel tort files.
3. Amounts valued as of June 30, 2009.
4. DHS – Other includes Emergency Medical Services Administration, Juvenile Court Health Services, and Health Services-NOC.
5. The total number of claims does not add up to the sum of claims by department since some claims are allocated to multiple departments; count includes all suffixes.

**County of Los Angeles Percentage of Medical Malpractice
Cost Paid by Department, FY 2008-09**



Note:

1. "Other Departments" category includes claims coded to Fire, Mental Health, Non-Jurisdictional, Office of Public Safety, and Public Health.

**County of Los Angeles Number of Medical Malpractice Claims
FY 2006-07 through FY 2008-09**

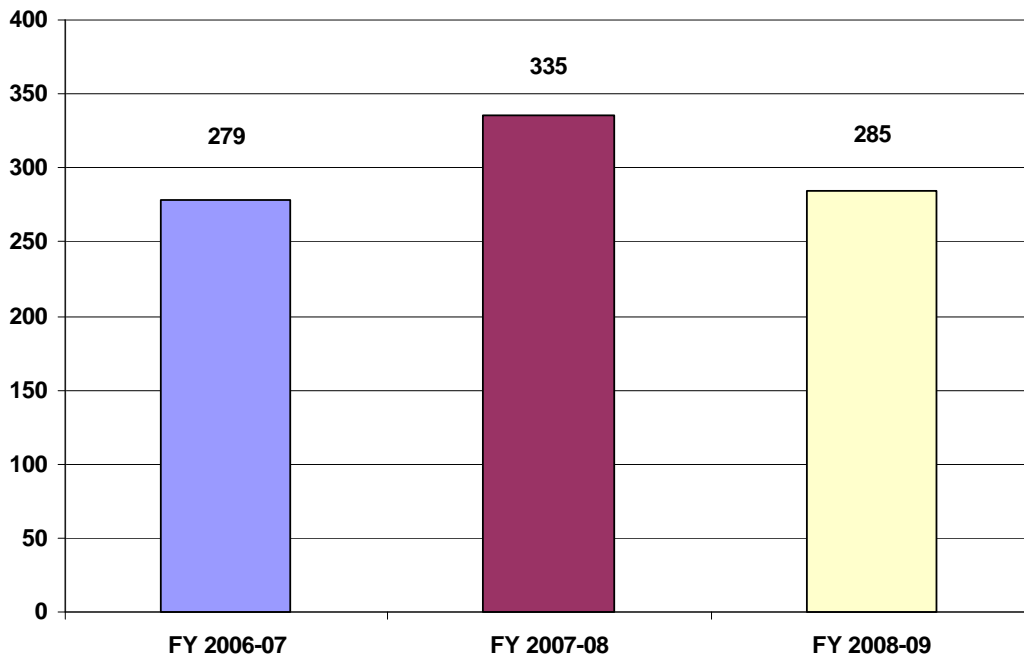


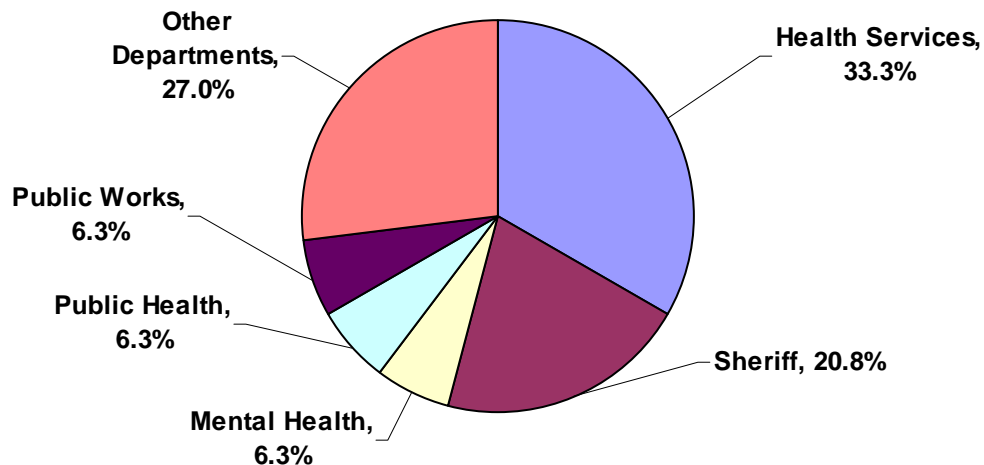
Exhibit I

Corrective Action Plan Summary by Department
July 1, 2008 through June 30, 2009
 (Settlement in excess of \$100,000)

Department	Number of Corrective Action Plans
Auditor-Controller	2
Beaches and Harbors	2
Children and Family Services	2
District Attorney	1
Health Services	16
Mental Health	3
Parks and Recreation	1
Probation	2
Public Defender	1
Public Health	3
Public Social Services	1
Public Works	3
Registrar-Recorder/County Clerk	1
Sheriff	10
Total¹	48

1. Approved by Board of Supervisors.

Corrective Action Plans by Department
July 1, 2008 through June 30, 2009

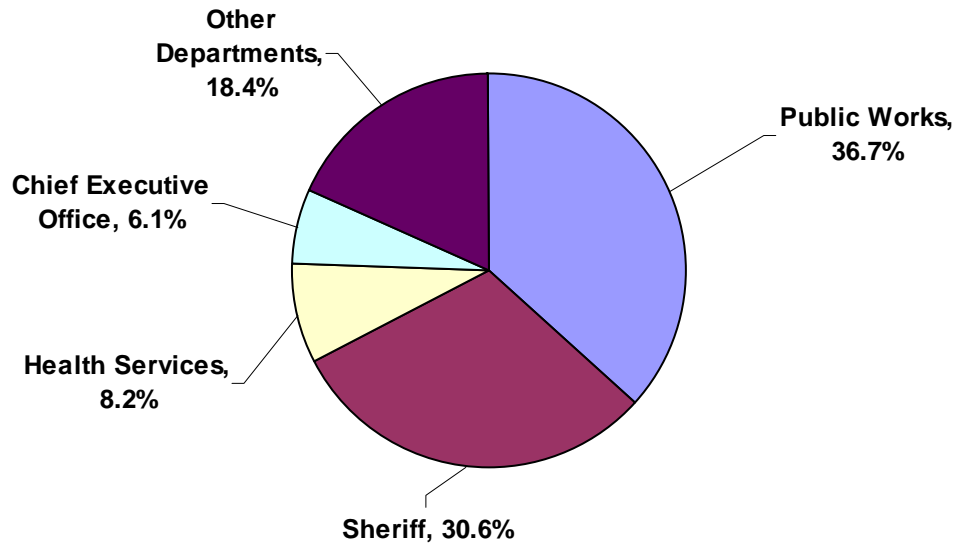


**Summary Corrective Action Plan Summary by Department
July 1, 2008 through June 30, 2009
(Settlement \$20,000 through \$100,000)**

Department	Number of Summary Corrective Action Plans
Chief Executive Office	3
Coroner	1
Health Services	4
Internal Services	1
Mental Health	2
Public Library	1
Probation	2
Public Works	18
Registrar-Recorder/County Clerk	1
Sheriff	15
Treasurer and Tax Collector	1
Total¹	49

1. For settlements >\$100,000 which require a Corrective Action Plan (CAP) and a Summary Corrective Action Plan (SCAP), the CAPs are counted in the previous table only, and the SCAPs for those settlements are not included in the table above. Approved by the County Claims Board.

**Summary Corrective Action Plans by Department
July 1, 2008 through June 30, 2009**



**Corrective Action Plan/Summary Corrective Action Plan
Action Item Completion Rate
July 1, 2008 through June 30, 2009**

Department	Total Action Items Reviewed	Total Action Items Completed	Completion Rate
Agricultural Commissioner/Weights and Measures	8	6	75%
Beaches and Harbors	7	7	100%
Chief Executive Office	4	4	100%
Children and Family Services	30	30	100%
Coroner	3	3	100%
District Attorney	6	6	100%
Fire	16	16	100%
Health Services	45	44	98%
Mental Health	3	3	100%
Office of Public Safety	24	24	100%
Parks and Recreation	9	9	100%
Probation	33	33	100%
Public Health	21	21	100%
Public Library	5	5	100%
Public Works	41	40	98%
Registrar-Recorder/County Clerk	1	1	100%
Sheriff	15	15	100%
Treasurer and Tax Collector	1	1	100%
Total¹	272	268	98.5%

1. The table above represents the completion rate for CAP action items reviewed during the period. The CAP/SCAP may have been approved by the Board of Supervisors or Claims Board in an earlier period, but reviewed during the period noted. The completion rate is based on completion of the CAP/SCAP action items included in the CAP/SCAP document.

The Corrective Action Plan/Summary Corrective Action Plan Action Item Completion Rate table displays departments' completion of required action items within the time frames specified in the departments' CAP/SCAP documents.